THE FINANCIAL POST
OF CANADA
The Canadian Newspaper for Investors

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ATTACK ON SIR JOSEPH FLAVELLE WILL KEEP BIG MEN OUT OF PUBLIC LIFE

Efficient Work on Munitions Board Made Enemies Among Shell Makers.

BIG BUSINESSES MUST BE OPEN TO PUBLIC

Wm. Davies Investigation Has Not Shown That Company Made Exorbitant Profits, But Rather Developed an Industry Which Meant Much to Canadian Prosperity.

WITH the progress of the inquiry into the affairs of the William Davies Company it must be increasingly apparent to thinking citizens that there is a motive—and a sinister one—behind the whole affair. There is nothing being revealed which does not come within the realm of legitimate business and no indications that profits have been made which were not warranted by the nature of the enterprise, the volume of trade and the risks involved.

On the other hand through the great volume of business handled by the packing concerns—and handled at small cost in proportion to that volume—millions have been put in the pockets of the Canadian hog raiser and enormous supplies have been efficiently transported to the Allies.

Now, there appears to be a danger that for financial reasons exports of bacon and other products will be curbed. If this is the case the farmers and the public generally may have an opportunity to appreciate what the development of the packing industry has meant in the natural prosperity we have been experiencing.

The evidence is that the investigation is not aimed at the company so much as to provide the excuse for an attack upon the individual largely concerned in its control and operation—Sir Joseph Flavelle. Such an attack would naturally have a motive. Let us consider the whole case.

Sir Joseph Flavelle has been one of the outstanding cases of a successful executive with heavy personal responsibilities stepping into the limelight of public life. At the sacrifice of his own affairs he has given his service to the nation in the great war crisis. He was made chairman of the Munitions Board and became controller of a great volume of national business.

The duties which the Chairman of Munitions undertook were not light; nor do we suppose they were pleasant. It is not going too far to say at this time that the munitions business had not been efficiently handled in Canada. This was due to many conditions which could hardly be improved and to other conditions which could be improved. The latter is proven from the fact that the improvement was made. In fact Sir Joseph did his work so well that he made a number of enemies.

The deplorable feature of the whole affair is that the investigation, and the attacks on Sir Joseph Flavelle, which have accompanied it, are anything but an encouragement to big business men to devote their unusual abilities to the affairs of the country. A serious blow is being aimed at the principle of national government composed of men of proven executive capacity as compared with professional politicians who hold power, not through their executive capacity, but through their ability to secure and hold votes.

Canada needs men of the Flavelle type to conduct the nation's business. In England and in the United States these men have come to the front in the present crisis and are playing the dominant part in winning the war. There is a grave danger that in Canada the attacks upon Sir Joseph will tend to discourage our big citizens from entering public life, where their services are so urgently required.

* * * *

As to the investigation itself. At this stage, and before the presentation of the full and official figures by the auditors it is not possible to go into details intelligently. But there has been nothing shown, we contend, to prove exorbitant profits. The company bought in the open market and in open competition and sold in the British market at the prevailing price. The profits were not large in relation to the capital involved in the immense turnover. It was not in the margin of profit that the success of the venture lay, but in the volume of business.

As to whether more of the profits should have gone to the Government in taxes and as to whether the allowances for new plant from earnings were too large is another matter. That is for the Government rather than the company to answer. We have already criticized this feature of the excess profits tax which permitted of the Government exercising its opinion as to what should or should not be taxed; the Act should have made definite stipulations.

Here was the situation. Britain needed food stuffs. For the exportation of meat products the existing packing plants had to provide facilities or new plants would have to be erected. The Government did not want to go into the business as instanced by the refusal of the offer of the very plant now being investigated. Britain demanded that the volume of shipments be increased if possible. The price in England was not set by the Davies plant, nor by Canada, but by all countries exporting such products. The price went up with the strong demand and in proportion to other war-time changes in the economic system. England paid more, Canada got more and in the enlarged volume of business the packing companies made larger profits. The great benefit of the high prices did not come to the packers but to the Canadian hog raiser—to the great fundamental industry of this country—and it has been reflected in the generally prosperous conditions prevailing with the great mass of the people.

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SIX-INCH SHELLS.

Canada Cement Company Secures Six Months' Order.

MONTREAL — (Special).—Canada Cement Co. has secured a big order for 6-inch shells. This order, it is said, will keep the plant going for many months, and F. P. Jones, general manager, believes that others will follow. Previous orders of this company were for 9.2 in. shells.

The St. Lawrence Bridge Company, which also formerly made 9.2 shells, also has orders for the 6-inch product.

Other orders are declared to be pending as result of negotiations between Sir Thomas White and Lord Reading.

Canadian Vickers will make deck machinery in space formerly devoted to shells.

BUSINESS IS STILL CLOUDED BY FINANCES

Difficulties Continue With Regard to Export Trade.

INVESTMENT OUTLOOK

Some Opinions as to the Market—Canadian Situation Remains Unsettled—Dominion Loan Awaited.

Financial considerations continue to dominate the business as well as the investment situation. Directly there is the question of raising funds to facilitate our exports of natural and manufactured products—including munitions—to Great Britain. Indirectly there is the question of national finance for internal purposes. In relation to the former conferences at Ottawa between the Minister of Finance and leading representatives of financial institutions have a direct bearing while in regard to the more general problem preparations are being made for the flotation of the new Dominion loan.

Inquiries which have been made by THE FINANCIAL POST indicate that it has been the financial considerations and not the question of price which have been responsible for the embargo against Canadian bacon and other products by the British Government. Further there are reports that the embargo may be extended to include wheat if we maintain the price of $2.21 and are not prepared to grant the necessary credits. If these embargoes are put into effect they will no doubt have a depressing effect upon business conditions—an effect which would be in contrast to the benefits which have been accruing through the development of such business as the packing industry. The latter has not only facilitated export of natural products, but brought a price for them which has been an important factor in our general prosperity.

A special article showing that finances were not only responsible for the bacon embargo, but may also interfere with exports of wheat and other products, will be found on page 6 of this issue.

In the investment situation conditions remain uncertain. Under New York influence there has been some improvement of late, but this has not been material and the market may still be said to be in the rut. The financial situation has a depressing effect and this may be expected to continue but the opinion is that the market is pretty well bought and that there are many securities very cheap at present prices. Following are some opinions from American sources:

STOCKS AT LOW LEVELS.

"There has been some investment buying of importance at the low levels. A number of good stocks are selling at pre-war prices and, as in the case of some of the standard railroads, below such prices," say J. S. Bache & Co., New York.

"When the vital questions of prices and of taxes are settled, and fairly settled as now seem probable, activity will be resumed, and the enormous volume of business, even if profits are more moderate, will afford ample returns to investors."

SHRINKING SECURITY PRICES.

The stock and bond markets for a number of weeks have been passing through an important readjustment of values, says *The Annalist*. If stocks alone had moved down with the speed recorded since Aug. 1, as a convenient date, the dominant influence might be ascribed to the operations of professional speculators who found ex-

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CANADA'S CROPS WILL TOTAL OVER BILLION DOLLARS

24 Out of 28 Cars of South Alberta Wheat Grade No. 1 Northern.

SLOW DEMAND FOR WHEAT

Threshing Returns Increase Western Yields—Measured Bushels Weigh Heavy—Ontario Great Crops of Straw as Well.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

Ideal weather conditions have prevailed from coast to coast this week. The full salvation of the field crops of Canada is almost assured. Threshing returns show that the grain is turning out well, with the weights per bushel higher than last year. The East has not seen so many big straw stacks for years. The returns from every province are about complete as to the total yields. Prices are being maintained in all lines.

We are now in a position to estimate fairly closely Canada's contributions to the world's food. The results are gratifying from every standpoint, except possibly that of the consumer, and he has not much to complain of, when his own food costs will rise and fall as he manages wisely or loosely in his menus.

Summing up Canada's total yields, as reported from the various provincial and federal bureaus, with a variation as seems needful from previous actual results in certain lines, we find that the money value of our field crops this year will easily surpass the billion mark, and that without taking into account the pasture lands, the fruit returns, tobacco, clover seed, hemp and other small and scattered crops. It sums it up as follows, reckoning the values from current prices, as quoted in the markets this week (000's omitted):—Wheat, 475,-000; oats, 233,280; barley, 58,620; rye, 6,059; peas, 5,488; mixed grains, 16,310; beans, 6,336; buckwheat, 5,000; flax, 14,000; corn for huskers, 7,000; potatoes, 50,000; roots, 16,000; hay and clovers, 160,000; fodder corn, 10,000; sugar beets, 600. This totals $1,063,600,000. It is quite within the mark to place the crops at $1,100,000,-000, the greatest price returns the country ever saw.

Heavy Wheat Bushels.

Miss Cora Hind, of Winnipeg, reports by wire to-day to THE FINANCIAL POST as follows:

"Reports from the threshing machines continue to be of the most gratifying character, and were I making an estimate over again to-day I rather think I would add at least a bushel an acre to the crop of the three provinces. The wheat is most of it like shot, and 95 per cent. is running contract grades and 65 per cent. one Northern or better. Monday and Tuesday 41 cars coming off C. N. R. lines in North Central Manitoba showed the astounding record of six cars, that weighed 65 pounds to the measured bushel; 14 cars that weighed 64, and 12 that weighed 63 pounds to the measured bushel; while only two cars out of the 41 went as low as 60. To-day from Calgary comes the record-breaker in the matter of consumption—out of 28 cars, 24 graded No. 1 Northern or better. There were 9 cars of No. 1 hard. In 1915, when Southern Alberta had such a wonderful yield, there were only three cars of one hard in the whole crop. At Winnipeg to-day out of 601 cars of wheat, 464 graded one Northern. If present excellent threshing weather continues it will be a one and two Northern crop. There has been talk in the last few years of doing away with No. 1 hard grade because so little of it has been inspected, but that complaint will not have to be made this year.

"At present the thing which is worrying grain men is the slow demand for wheat. The mills in Ontario were good buyers for a time, but they have apparently filled up, and as yet the Wheat Export Company has not been in the market. Vaguely it is understood that it is a question of financing the crop, and something definite is hoped for before the end of the present week. There was more than three-quarters of a million of No. 1 Northern wheat on the market to-day, with practically no buyers. All coarse grains are holding very strong, though trade in them is not wide. The principal movement in the last few days has been in oats for export. Receipts of oats for inspection are very limited.

"During the week millers have fixed the price of flour, following the fixing of the price for wheat, making the basis $11 by barrel cash in car lots, mill door, and a proportionate increase for delivery in smaller quantities both in and out of the city. They claim that this price made in con-

Continued on page 7.

WESTERN FARMERS BEST SOURCE FOR NEW WAR LOAN

Wheat Will Bring $550,000,-000, and Will be Sold at Once.

BUSINESS GETTING BRISK

Wholesalers Report Increases All Over—Bank Deposits Increasing —Shipbuilding Helps British Columbia.

By E. L. PEASE,
Vice-President and Managing Director, Royal Bank of Canada.

My visit to the West has been a most agreeable surprise, the outlook is so bright. The wheat crop is now estimated at 250,000,000 bushels, which will mean $550,000,000 in cash to the Western farmer, as compared with a crop of 200,000,000 bushels last year that averaged about $1.36. As a result of the fixing of the price the crop will be rushed to the seaboard without delay before the close of navigation and the farmers will be saved the interest charges of former years.

The wholesalers in Manitoba and the North-West report great activity: large increases in sales over last year. Bank deposits are increasing all along the line, and loans, except advances for real estate, are being liquidated satisfactorily. There is not much improvement in real estate and there will not be while the moratorium lasts.

In British Columbia the salmon fishing has been very successful in the Northern waters, but the Fraser River catch has been a disappointment owing to a railway obstruction. The net returns on the Fraser will be only $7,000,000 instead of over $13,000,000 in the corresponding season of four years ago.

The revival of lumbering and the activity in shipbuilding have brought about a great improvement in conditions of business. In a single yard in Vancouver four wooden ships of 3,000 tons, will be completed in four months from the laying of the keels. Steel ships of 8,800 tons are being constructed in Vancouver and these will be launched in from six to seven months after work is begun. I believe that contracts have been let for fifty ships to be built on the Pacific Coast. There is, however, a scarcity of skilled labor.

The Peace River district is benefiting from a revival of immigration from the United States, and this season it is estimated that fully 75,000 of a very desirable class have come in and taken up land, or double the number who entered last year.

The growing improvement in the condition of the farmers of the West leads me to urge that an active campaign be carried on among them to induce them to subscribe for the next Government loan. This would be a wise investment for them to make and at the same time a good thing for the state. I know of no class of men in Canada to whom this loan should appeal more strongly, nor any class where a campaign looks to be more advisable. The secret of the great wealth of France has been the widespread investment of the peasants in rentes. The crops that are being harvested under the most favorable conditions will be all solid money, and the West, and I may add, the farmers of Ontario are the best sections for seeking investors for that loan.

BIG MEN IN BOTH PARTIES MUST COME TO THE FRONT; NEW ALIGNMENT IS NEEDED

Approaching Election Holds Little Opportunity For Improvement of Situation.

CANADA NEEDS BETTER MEN IN CABINET

Information Given in THE FINANCIAL POST re Insidious Campaign for Peace is Confirmed by Reports from England—Vigorous Views Expressed by Leading English Papers.

PARLIAMENT has prorogued and an election is coming within the next two months. It begins to look as though it would be fought out on straight party lines except that Sir Robert Borden may command the support of a section of Conscription Liberals and Sir Wilfrid Laurier may have the full Nationalist backing in Quebec.

The political situation is bad. It is a damaging indictment of the whole Canadian people that there should be a political situation at all. That we can find time for party bickering is proof of our lack of sincerity in war effort. That the political situation is such that a proper administration of war matters is impossible gives cause for serious misgiving.

From the present outlook the election will be a straight party fight between a Government carrying the sins of three years of wooden inactivity and an Opposition headed by a clever politician who has fought Conscription. If nothing happens to change this alignment how can the sincere Win-the-War Canadian vote? If he votes Borden he votes to place back in power a little ring of mediocrities and misfits who have already demonstrated during three years of war a complete lack of foresight and an amazing share of traditional torpitude. If he votes Laurier, he votes to hand over the reins to men of perhaps equal mediocrity who are, moreover, cursed by their leader's attitude on Conscription.

What is the solution? There is only one: For the thinkers, the big men, in each party, to get together and make themselves felt before it is too late. If the strong elements in the Conservative party unite and assert themselves in Conservative councils, they can still lay down a policy that will assure the electors of vigorous administration after the election is over. The big men in the Liberal party have the same opportunity. Let them overturn the anti-conscriptionists and go to the country on a Win-the-War policy that rings true and with the definite assurance of a Cabinet made up of ablest executives in the country. THE FIRST PARTY TO DO THIS IS ASSURED OF ELECTION.

GOOD MEN KEPT OUT

What we have lacked in Canada is good men in the Cabinet. The Government has not given us far-sighted, courageous leadership at any stage. Important administrative positions have been left in the feeble hands of party puppets. The Government has lacked the vision to grasp what has been needed and the energy to follow the needs through. The Opposition, after three years of torpitude roused itself, through its leaders, to block conscription, the one important progressive step that the Government saw fit to take. Ottawa reeks with selfishness and partyism.

The result is that the country at large is failing to discard party prejudices. It is almost unbelievable, but there are Canadians who apparently would rather see Borden win than the Allies; and others who are more ready to tread the path of party strife with Laurier than the road to Victory. If we had real leadership would this debasing condition cease? Assuredly!

It is unfortunately too late now for any form of union or national government to be formed. All that is left is the opportunity for reform within the parties themselves. And there is little time left for that.

THE PROOF OF PACIFICIST ACTIVITIES.

Last week THE FINANCIAL POST gave warning on the score of the insidious peace campaign which is being carried on in all the Allied countries. Confirmation of this has since come to hand from many quarters. The movement has gained such headway in Britain that foresighted journals are pointing out the menace of it in no uncertain tones. In a recent issue of the London *Daily Mail*, Lovat Fraser says:

"It is time to point out that the pacificists are stealthily making some amount of headway in this country, and that the Government shows no appreciation of the position which is being created. The pacificists' efforts would not matter very much were it not that a combination of factors is giving them an increasing chance of sowing tares.

"Though the national will to fight to victory remains resolute, it is not just now burning with an intense conviction, but has become a commonplace of everyday life. Unwholesome lassitude seems to prevail, and underneath there smoulders a vague dissatisfaction of which the Government had better take heed. This dissatisfaction is not, as pacificists pretend, a longing for peace at any price, but rather a puzzled and anxious feeling about the war. The public are a trifle bewildered. I find most people in a questioning mood; they think the war seems to stagnate, and no one will tell them why. They look to the Government for light, and they get no light whatsoever."

That there is a grim determination to fight on to a real victory and lasting peace is evidenced, however, by such papers as the *British Weekly*. Sir Robertson Nicol writes in the last issue to hand:

"In any case we cannot leave this work half done. The Germans must be brought to their knees. We must make sure that no such colossal tragedy darkens the life of our children as has darkened ours."

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31st August, 1917.

LIABILITIES TO THE PUBLIC.

Notes in Circulation	$ 5,323,922
Deposits	51,126,131
Other Liabilities	1,687,910
	$58,137,963

ASSETS.

Cash on Hand and in Banks	$11,000,888
Deposit with Government on Account Note Circulation	245,822
Government, Municipal and Other Securities	11,856,678
Call and Short Loans	5,829,321
Current Loans and Discounts and Other Assets	36,213,983
Bank Premises	2,351,592
	$67,498,284

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Paid-up Capital	....	$ 23,903,960
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Cash Reserve	(ditto)	$210,377,630

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NEWS OF SECURITIES – Trading Still Dull

STEEL

Market Dull and Heavy With Prices Declining—Pessimistic Feeling Prevails.

By P. BAIN, M.E.,
Editor Canadian Machinery.

The market has been heavy and prices have moved steadily downwards, although the trading in steel stocks has not been as active as the decline might indicate. In the late sessions there was a slightly better tone, especially in New York. The liquidation reflected the continued weakness in New York, where tight money conditions and the unsettled situation in Russia have had a depressing effect. War taxation and the U. S. Government price-fixing policy, are important factors in the situation. The fact of the matter is, a wave of pessimism has been passing over the market and trading consequently is light; the lack of support tending to lower values. Uncertainty as to the future combined with the unusual conditions in the money market are factors which, while creating a feeling of perplexity, lend a speculative interest.

Although steel securities at present levels are cheap, conditions are not favorable to any marked buying activity in the meantime. In view of the uncertain outlook, an upturn in prices does not seem likely until underlying conditions improve The prevailing activity in the steel industry and continued prosperity enjoyed by the steel companies are the most important factors in the situation and will support the market when other influences are tending to depress it.

There have been no developments during the week to relieve the unsettled conditions in the steel trade and the outlook continues rather obscure. The embargo on iron and steel from the United States is causing much delay and inconvenience due to the necessity of getting permits to ship from the U. S. Government. There is also an element of uncertainty in connection with this business as permission to export material is as likely to be refused as not, unless it is intended to be used in the manufacture of munitions. In spite of the adjustment in the terms of the embargo in favor of certain industries, it does not appear likely that this will relieve the situation materially, as indications point to a shortage of steel in the United States for any purpose other than for the war. This situation, of course, only affects a section of the trade, but it is of sufficient importance to merit consideration in view of the large importations of iron and steel into Canada in recent years. Some relief may be looked for from the domestic mills later on in the year, when they have caught up with their orders which will not be for several weeks. Certain materials, such as large structural shapes and plates which are not made in Canada, and come under the embargo, will be difficult to obtain and a consequence building operation will be curtailed, while special arrangements will have to be made in regard to imports of shipbuilding material.

Now that Canadian Steel Companies will have additional domestic business to take care of, increased activity is looked for at the mills, which will help to fill the gap caused by the reduction in output of shell steel. The recent announcement that contracts for 6-inch shells will be given out, has caused much satisfaction in the trade. Notwithstanding the weakness in prices of steel products in the United States, the market in Canada is holding firm, and there have, as yet, been no price recessions. While higher prices are not anticipated, it is unlikely that there will be any marked decline in values owing to the unusual conditions now prevailing in the trade. The situation in the United States is such that Canada will have to rely to a greater extent than is usual, on its own resources, which means increased business for domestic mills.

	Close, Sept. 13	Close, Sept. 20	Change
Can. Car, com.	29	27	— 2
Do., pref.	64¾	63	— 1¾
Can. Loco., pr.	86	86	..
Gen. Elec.	105	103	— 2
Dom. Bridge	145	153	+ 8
Dom. Iron, pref.	91½	89	— 2¼
Dom. Steel	61½	62⅜	+ ⅞
N.S. Steel, com.	92	92	..
Do., pref.	110	105	— 5
N. Stl. Car, com.	8	5	— 3
Ont. Stl. Pr. com.	30½	29	— 1½
St'l of Can., com.	55¾	57½	+ 1¾
Do., pref.	88½	87½	— 1
Russel Motor	70	69	— 1

NOVA SCOTIA STEEL & COAL CO.

The second instalment of $25 per share was due last Saturday on subscriptions to Nova Scotia Steel and Coal Co. $5,000,000 new common stock. This issue was authorized in June along with a declaration of 2½ per cent. for the first half of the current year on the $7,500,000 common stock of the company. The first instalment was paid on subscription and amounted to $25. Of the $50 still to be paid, $25 per share is due October 15, and $25 per share on November 15th. When payments on the new issue are completed a stock bonus of 20 per cent. on the old and new capitalization, amounting to $2,500,000, will be distributed to common shareholders on the books on November 20th, in part as a reimbursement to shareholders of earnings put back into various construction accounts during the past two years or more. The effect of this will be to raise the issued common stock to the full authorized $15,000,000.

CANADIAN CAR.

THE FINANCIAL POST is in a position to deny the rather depressing report that has appeared in some Canadian papers as to the inability of the Canadian Car & Foundry Co. to secure delivery of the steel that is required for the order of 6,000 cars that they have in hand. In an interview Capt. V. G. Curry, one of the vice-presidents, stated that there was on hand sufficient steel for the first 1,000 of these cars, and that the terms for the delivery of the remainder was as satisfactory as had been expected. This of course does not minimize the difficulties ahead of all steel deliveries, but conditions are such that operations will begin in a few weeks, not only at Montreal but also at the Fort William and Amherst car works. The Russian order of 1,000 cars is nearing completion. The company have still on hand munition orders that will occupy their workers in these lines for the rest of the year and a little longer.

STEEL OF CANADA.

At a directors' meeting of the Steel Company of Canada held in Toronto on Sept. 18, the common stock was placed on a regular 6 per cent., dividend bonus doing away with the 2 per cent. bonus in addition to the 4 per cent. rate paid since the inauguration of a dividend policy nearly a year ago. The common stock will be ex-dividend on October 13, and the dividend will be payable Nov. 1st The usual dividend of 1¾ per cent. on the preferred which was also declared at meeting will be paid Nov. 1st to shareholders of record Oct. 13. The announcement was welcomed by the Street. Although the subject has been discussed at various times for some months the action of the board came as a pleasant surprise as there had been no indication in the market as to the board's intentions in this regard. It was generally believed in the Street that had the New York market been pursuing a favorable trend the stock would have gone as high as 60 at least, instead of rallying only to 57 in the early trading, compared with 52 to 53 on Monday. As it was, after dropping back to 55 from 57 it rallied to 56½ when the New York market began to develop some symptoms of strength. This drop from the high point of August did not suggest favorable news, hence the surprise with which the announcement was received. The meeting of directors was well attended. It was stated that the activity of the company's ordinary business, in addition to the war orders, was sufficient to justify placing the common stock on a 6 per cent. basis. In 1915 the company earned a net surplus available for the common stock of 15.30 per cent. Out of a clear profit of $41.80 for the two years after allowing for preferred dividend arrears paid off the only distribution was the $4 dividend declared last Autumn. Earnings for the current year, after all deductions, including war taxes, are placed at 25 to 30 per cent. In the first half of the year they are understood to have been at the rate of 34 per cent. If 25 per cent. is earned, the total profit for three years, 1915 to 1917, will amount to $66.50 per share out of which the total distribution to the common shareholders in dividends and bonus, according to present indications, would be only $10. That is better than $56 a share would have been re-invested in the business out of earnings.

EASTERN STEEL.

The Eastern Steel Co., of Trenton, N.S., have had the misfortune to have part of the plant destroyed by fire. The main building, a steel and concrete structure, used as a machine shop was reduced to ruins. The damage which is practically all covered by insurance, is estimated at $125,000.

DOMINION BRIDGE CO.

The lifting of the centre span of the bridge near Quebec has been the main feature of interest in connection with Dominion Bridge stock. Before operations were started there was some selling by nervous holders but later the market became firmer and higher, although there was no great demand. The successful completion of the connecting span of the bridge means a great deal to the company both from a financial and engineering viewpoint.

With the successful completion of the Quebec Bridge undertaking shortly after the closing of the stock exchange on Thursday afternoon, there was considerable speculation in the stock of the company during the day. Confidence in the success of the venture increased as the big span was raised higher and higher, and this was reflected in the price of the stock which opened on Thursday at 145 and rose steadily until it had touched 154 late in the afternoon. There was a slight reaction in the final dealings.

DOMINION STEEL.

Dominion Steel Corporation stock has been quiet with a weaker tendency. The prospect of an increased dividend distribution, which has been freely discussed of late, is improved by the action of the Steel Co. of Canada in putting the common on a straight per cent. basis. It is felt that Dominion Steel affairs are in such good shape that an increased disbursement could easily be made without prejudicing the financial condition of the company. Dominion Steel stock is now selling at 61½ ex-dividend.

ALGOMA STEEL.

The Algoma Steel Corporation, a subsidiary of the Lake Superior Corporation, is erecting another blast furnace at Sault Ste. Marie, Ont. The furnace when completed will have a capacity of 400 tons of pig iron per day and it is expected it will be finished by the New Year. The company's work is at present confined principally to the production of 4.5-inch and 6-inch shells, and it is understood that contracts on hand will keep the plants busily occupied for some months ahead. The company recently completed its latest open-hearth furnace at the "Soo" plant, with a capacity of 75 tons per heat, or about 200 tons per day, and makes the tenth open-hearth furnace which the company has in operation, as well as the duplex furnace, which has been most satisfactory. It is announced that interest will be paid by the Lake Superior Corporation on its income bonds for the year ended June 30, 1917, at the rate of five per cent. per annum, payable at the First National Bank, Philadelphia, Pa., on October 1st, 1917, on presentation and surrender of the coupons.

CANADIAN LOCOMOTIVE.

The proceedings at the annual meeting of the Canadian Locomotive Company this week indicated the soundness of the theory that has previously been advanced in these columns, that the contest for control of the company was probably started as a means of securing dividend action on the part of the administration. In that event the effort was a success, for a declaration was made shortly after. Since then little has been heard of the effort to oust the present administration. M. J. Haney and Sir Henry Pellatt, who were connected with the campaign, were present at the meeting. They referred in a complimentary way to the dividend action which had been taken and expressed the hope that the present combination of officials might continue. Mr. Haney is quoted in part as follows:

"The proportion of the munition output compared to the total output of the factory in the year under review was 33 per cent. Gradually decreasing with each succeeding month, to-day this proportion was only 10 per cent. The munition contracts had been taken at very low figures, which is emphasized by the fact that our profits for the first two months of this year, over the corresponding period of last, had increased 40 per cent.

"It is gratifying to a shareholder of a company to attend an annual meeting, when the report presented shows the results of the year's operations, and contracts on hand to be such as to justify the inaugurating of dividends on the common stock and to provide a substantial amount to be carried forward. The wisdom of the board in July in declaring a dividend for the holders of this stock was fully warranted by the statement. It is also of interest to know that, while large contracts for shells have been filled, the real business of locomotive-building has not only been maintained, but the output largely increased. I have had the occasion to visit the works from time to time and can from personal observation give some of the principal causes of the marked improvement in the results obtained by the company."

Sir Henry Pellatt expressed the opinion that companies should not be too conservative with regard to their dividend distributions and that instead of putting large sums in Government bonds, they should give the shareholder the opportunity of doing this for himself.

The annual report was well received, and Aemilius Jarvis, the president, stated that there had been a further considerable improvement in the company's affairs since the end of the fiscal year. He also pointed out that for some time past the company has been working out its munitions contracts and has been devoting its efforts largely to the production of locomotives.

The Board of Directors was re-elected as follows:—Aemilius Jarvis, Toronto; J. J. Harty, Kingston; Robert Hobson, Hamilton; John L. Whiting, Kingston; Warren Y. Soper, Ottawa; H. W. Richardson, Kingston; Frank G. Wallace, Kingston. Aemilius Jarvis, Chairman of the Board; J. J. Harty, President; F. G. Wallace, Vice-President; J. H. Birkett, Secretary-Treasurer.

There has been little demand for stock and the common has declined from 29 to 27½ while the preferred are also lower at 62, a loss of 3 points. The company has on hand contracts for munitions amounting to $199,600, thus showing a total amount of work ahead of $4,125,000, all placed at satisfactory prices.

There are no indications as yet of a compromise between the rival factions among the shareholders of Canadian Locomotive Co., although something will likely develop at the next meeting. Although the company is enjoying excellent earnings, there has been little demand for stock and the common has declined from 29 to 27½ while the preferred are also lower at 62, a loss of 3 points. The company has on hand contracts for locomotives and locomotive parts amounting to $3,925,400, and contracts for munitions amounting to $199,600, thus showing a total amount of work ahead of $4,125,000, all placed at satisfactory prices.

PULP AND PAPER

Quiet Still Reigns in the Paper Group, With Prices Slightly Lower.

By W. A. CRAICK.

It has been a decidedly dull week for pulp and paper stocks. If anything, the volume of trading has been smaller than ever and that means it has been very small indeed. When transactions in Larentide, Riordon and Wayagamack do not exceed one a week, and when Brompton and North American are only dealt in to the extent of two or three small lots, it goes without saying that business in this group is as nearly dead as it can be. Prices on the whole have declined, and the value of the general list is noticeably lower:

	Close, Sept. 13	Close, Sept. 20	Change
Laurentide	170	167	— 3
Riordon	117⅞	118	+ ⅛
Span. River, com.	16	15	— 1
Wayagamack	55	54½	— ½
Brompton	44½	46	+ 1½
N. A. Pulp	3⅝	3⅛	— ½
Howard Smith	70	65	— 5

No date has as yet been announced for the resumption of hearings in connection with the paper inquiry, nor has any date been set for the commencement of the inquiry into book and writing paper prices. Progress is being made in the examination of the mill books and records by the auditors, and it is thought likely that the hearings in the newsprint inquiry will be resumed shortly.

The Federal Trade Commission's regulation requiring paper manufacturers to supply weekly and monthly reports on production, consumption, shipments, and stocks on hand, goes into effect next week. The first weekly reports are to be mailed on or before Tuesday, September 25, and the first monthly reports on or before October 5, for the month of September. The weekly reports are for the operations of each mill and the monthly reports for the operations of each company.

As an illustration of how newspapers are reducing their consumption of newsprint, in the face of increasing advertising patronage, the record of the New York City dailies for the first eight months of the year is illuminating. Sixteen papers, of which two are published in Brooklyn, printed 76,052 pages in 1917, against 80,804 pages in 1916. Advertising in 1917 amounted to 29,726¾ pages, as compared with 28,940¼ in 1916, and reading matter 46,325¼ pages in 1917, against 51,863¾ in 1916.

Some slight improvement in the demand for book, writing, and grades of paper other than newsprint, is reported at present by manufacturers. The buying is largely of a hand-to-mouth variety, however, as there is an evident tendency for buyers not to stock up at present prices. Manufacturers of these lines are looking for better business as the fall advances, but at present conditions are very quiet. Newsprint, on the other hand, is in active demand and mills are very busy.

Manufacturers of book papers, interviewed this week, deny that there has been any general cut in prices. There have been cases where special reductions have been made in cheap grades, but price lists remain as they were. It is true that a good many American salesmen have been soliciting business in Canada of late at low figures, and some little paper has come across, but the duty and other costs counteract to a considerable extent the lower prices quoted. The selling is reported to be coming mainly from American jobbing houses, which overbought last year, and are being forced to unload. Just as soon as this condition is ended, prices are expected to firm up once more, and with this in view, Canadian mills are not making any great effort to meet the competition.

FRASER COMPANIES, LIMITED.

Good progress is reported on the bleach sulphite pulp mill being erected by Fraser Companies, Limited, the big New Brunswick lumber corporation, at Edmundston, N.B. The mill will have a capacity of 120 tons per day and will give employment to 400 hands. The plant covers six acres and consists of storage room, machine room, screen room, plow pit room, digester house, acid plant, boiler house, turbine room, wood room, machine shop and hydraulic power plant. The digester house will contain four digesters, each 17 feet in diameter and 56 feet high. The present state of construction shows the foundation complete for the whole plant, except the hydraulic power station. The brick work is completed on the storage building, machine room, screen room, digester house and acid plant. The construction on hydraulic power plant has just been started. The whole enterprise represents an investment of three million dollars.

PORT ARTHUR PULP.

Construction of the plant of the Port Arthur Pulp & Paper is progressing rapidly. The first digester will be ready for lining this month and the rest of the mill is proceeding very rapidly. Quite a lot of machinery is on hand, and, unless unforeseen obstacles are encountered, the mill should be ready for operation by November.

MATTAGAMI PULP.

According to information given out by Joseph G. Mayo, assistant general manager of the Mattagami Pulp & Paper Co., while in Toronto recently, the slasher of the company which has been in operation for some weeks, has a capacity of about twenty-five hundred cords a day and a pile of over twenty thousand cords is already stacked. By the end of the present month this will be increased to thirty-five thousand cords, which will be sufficient wood to keep the plant in operation for the coming season. The first cook will take place next month when the two digesters will be fully completed. The third digester is expected in the near future. The new brick offices of the company are finished and by fall over sixty houses, many of them able to accommodate several families will be finished. There will then be total housing facilities for one hundred and twenty-five families at Smooth Rock Falls.

RIORDON.

After a slight drop in the amount of the exports of high grade pulp to the United States, compared with the summer months of last year, the business of the Riordon Pulp & Paper Co. has started in briskly again, and one of their orders has been increased by one-third, which in itself will mean a difference in the gross amount by over $700,000. Speaking to THE FINANCIAL POST, the sales man-

ager, T. J. Stevenson, stated that the outlook for the balance of the present year and the coming year was very bright. In the case of the United States the amount of pulp that Sweden was exporting was cut at least in two, not more than 200,000 tons a year now, compared with 400,000 before the war. In the case of Great Britain there had been a lifting of the embargo on shipment to England with the lifting of the British embargo on the shipment of coal to that country, but cable advices agreed that the demand for Canadian pulp was still far more than could be satisfied with the limited shipping facilities.

So far as the facilities of the Riordon mills were concerned these were working out much more favorably than last year. Up to the end of the year the Merriton mill had been turning out unbleached sulphite pulp which sold on an average at $45 a ton. Since that time the mill, which had been turned over, was producing 30 tons a day, or 10,000 tons a year of bleached sulphite at an average of $120 a ton, which would net a much greater profit than the same mill last year. The Hawkesbury mill was producing 180 tons of sulphite a day. A further point in favor of the present year was the fact that part of 1916 the mills were working on low-price contracts, and all the later ones have been on more favorable terms. The prospects were, therefore, that the profits of the Riordon mills would even exceed the surprising record of the past year.

LAURENTIDE.

A single sale of Laurentide at 167 indicates a decline of three points from last week's level and brings the stock to the lowest point of the year to date. Until this week it had not passed below the 170 mark. No explanation of the decline can be given, other than the general weakness throughout the stock markets and the almost complete absence of an investment demand.

Riordon sold at 118 this week. This is practically the level which has prevailed for several weeks past. The stock goes ex-dividend 1¾% to-day.

SPANISH RIVER.

The annual meeting of this company is scheduled for next Tuesday. Meanwhile the stock, after its rise to 16½ last week, sold back this week to 15, the level prior to the issuance of the annual report. There has been no movement in the preferred shares.

HOWARD SMITH PAPER MILLS.

The work of converting the Crabtree mill, recently acquired by the Howard Smith Company, from a newsprint to a high grade paper mill is proceeding satisfactorily and it is expected that the changes and extension will be completed about the first of the year.

International Paper—

Reports are again current, though seemingly without official confirmation, that the International Paper Co. will erect a wood pulp plant at Sault Ste. Marie, Ont. The report states that quarter of a million dollars will be paid for 100 acres of land adjoining the Lake Superior Corporation's Algoma Steel plant. It is also stated that the company is *planning* to erect a paper mill somewhere in the province of Quebec.

Counsel for the company filed a demurrer this week in reply to the complaint filed by minority stockholders in July on the ground that it appears that the complaint does not state facts sufficient to constitute a cause of action. Hearing on this is expected to come up in the State Supreme Court about the middle of October.

MINING STOCKS

Trading Not So Heavy This Week and Prices Have Shown Tendency to Weaken.

By W. A. CRAICK.

After the heavy business of last week when the average day's trading ran to 246,162 shares on the Standard Exchange, there was a falling back to more normal figures this week. The average dropped to 143,588 shares. Prices have on the whole been well maintained, especially among the silver stocks, which have been helped by the steady rise in the price of silver. The gold stocks on the other hand have been heavier. Price changes for the week in the principal stocks are as follows:—

	Close Sept. 13	Close Sept. 20	Change
Adanac	.20	.19	—.01
Beaver	.38	.40½	+.02½
Dome Mines	10.00	9.90	—.10
Dome Ex.	.14¾	.15	+.00¼
Hargraves	.15½	.14¾	—.00¾
Hollinger	5.25	5.15	—.10
McIntyre	1.57	1.50	—.07
Nipissing	9.10	9.35	+.25
Vipond	.27¼	.26½	+.00¾
Newray	.81	.75	—.06
Temiskaming	.31¾	.35	+.03¼
West Dome	.18¼	.17	—.00¾

The price of silver continues on its upward way unchecked. On Thursday it reached 1.06½ cents an ounce in New York. The coinage demand is coming mostly from India. Last year 116,000,000 ounces were absorbed by that country and the demand has not abated since then. The fact that India and China have been selling silver for years back is now having its natural result and the countries are considerably oversold. Couple with this a falling-off in the world's production and there is an obvious reason for the present high prices. The rise in silver, together with the number of shares of stock sold per day on the Standard Mining Exchange, may be exhibited as follows:—

	Transactions Shares	Silver Cents
Friday, Sept. 14	217,173	100⅝
Saturday, Sept. 15	108,045	100⅝
Monday, Sept. 17	150,265	102½
Tuesday, Sept. 18	103,344	103½
Wednesday, Sept. 19	170,727	105½
Thursday, Sept. 20	111,975	106½

Cobalt mines are setting up new records in the shipments of ore. Last week nine companies shipped 1,504,513 ounces, which is a new high record for any one week in recent years, if not actually a record in the history of the camp. The reappearance of the old Cobalt Silver Queen on the shipping list may reasonably be taken as the signal for the reopening of other mines long closed down.

Shipper.	Cars.	Pounds.
Nipissing	8	557,885
Dominion Reduction	3	255,000
McKinley-Darragh	2	169,598
Aladdin	2	128,700
Kerr Lake	2	120,387
Right of Way	1	103,363
O'Brien	1	64,060
Coniagas	1	55,520
Silver Queen	1	50,000
Totals	21	1,504,513

The value of bullion shipped now approximates in dollars the number of ounces in the shipments. The summary for last week was as follows:—

	Bars.	Ounces.	Value.
Min. Corp.	99	100,403.03	$ 99,022.49
Nipissing	29	51,211.07	50,764.80
Totals	128	151,614.10	$149,787.29

At the present rate of production the output from the various silver mines of the Cobalt camp approximates 20,000,000 ounces per annum, according to a computation made by the Cobalt Nugget. With silver at one dollar the value of the output is now at the rate of twenty million dollars annually. This would constitute by far the highest record in the history of Cobalt, and compare with a previous high of a little less than seventeen and one-half million dollars in the year 1912 and a low of a little under eleven and three quarter million dollars in the year 1915. The future posibilities of the mines of this camp are added to at a rate of two hundred thousand dollars annually for every one cent increase in the price of silver based on present production of twenty million ounces.

CONSOLIDATED SMELTERS.

So far as the volume of ore being received at the Trail Smelter is concerned, conditions are again back to normal and the figures for the first week of September are well in excess of those of the corresponding week of 1916. September is the last month of the Company's year and, while it will be impossible to bring the total for the year up to the 1916 level, still heavy receipts for the balance of the month will do much to cut down the difference. A comparison of the August and September figures for the two years shows how the situation is improving:—

Week ending	1917	1916	Differ.
August 7	8,184	10,111	— 1,927
" 14	7,541	10,888	— 3,347
" 21	8,327	11,481	— 3,154
" 31	14,082	15,134	— 1,052
Sept. 7	10,864	8,286	+ 2,578
To date	359,719	452,343	—92,624

DOME MINES.

A report this week from South Porcupine states that the Dome Mines is working under an extreme shortage of labor, and the mine workers now amount to less than 200 men. The underground workings of this mine are a marvel in their immensity. The underground equipment, including the electric storage batery, haulage, loading chutes, winding engines, etc., has demonstrated a capacity of nearly 4,000 tons per day, which is easily double the capacity of the present milling facilities. In a general way the mine is being whipped into shape for the greatest period of productivity in its history.

Dome Mines have been rather inactive all week, sales occurring between 9.75 and 9.90, this company with a high of 10.00 the previous week.

HOLLINGER.

Reports that the Hollinger has been cutting a 65-foot vein of high grade ore are characterized by the Cobalt *Nugget* as foundationless. However, this paper points out that mine developments are constantly adding to the ore reserves at an unprecedented rate.

About 800 men are employed on the property at present and although pre-war efficiency is lacking, operations are going forward quite satisfactorily. The mill is treating a comparatively high tonnage.

Hollinger shares have declined this week. After advancing to 5.45 last Friday, they sold as low as 5.15 on Wednesday and Thursday of the current week.

McINTYRE.

At the McIntyre, not only is development proceeding quite satisfactorily but ore broken down in the stopes is understood to be actually in excess of milling requirements thus denoting a steady improvement in general conditions in the Porcupine camp. At the forthcoming annual meeting of McIntyre in Toronto on September 28, it would not come as a surprise were important announcements regarding mill enlargements to be made.

McIntyre, along with the other gold stocks, has been somewhat weak, selling down to 1.46 and closing Thursday at 1.50. This compares with a high of 1 61 the previous week.

McKINLEY-DARRAGH.

During August this company treated approximately 7,100 tons of ore, a considerable portion of which came from parts of the mine that a year ago it would have been unprofitable to work. The machinery is practically all installed in the new mill to treat the tailings from previous production of ores at this mine, and added to the present tonnage of the mill, which is around 270 tons per day, will allow of the treatment of an additional 200 tons of tailings that will be recovered from the bed of Cobalt Lake, where they have been accumulating ever since the McKinley mill commenced operations. The recovery of silver from this source will mean a great deal to those interested in the McKinley-Darragh, and the future outlook of the company is extremely promising.

Sales of McKinley-Darragh shares were registered this week between 70 and 72.

NATIONAL.

The oil flotation plant at the National Mining Company's property (formerly the York-Ontario) is now reported to be treating 70 tons of tailings per day. It is about a year since the plant was installed but owing to numerous delays, it has only recently been set in operation. Underground operations will be resumed next month.

ONTARIO-KIRKLAND.

Harry A. Cochrane, of New York City, and Edward D. Seldon, of Rochester, together with their associates, have completed a deal for the purchase of the Hurd property at Kirkland Lake. The formation of a company to be known as the Ontario-Kirkland Mining Company, Limited, is now under way. This company will have a capitalization of $1,500,000, divided into shares of a par value of one dollar each.

Arrangements for an extensive development plan are being made, after which lateral work will be undertaken, for which purpose an up-to-date mining plant will be installed without delay.

Five promising veins have been opened up on the Hurd and upwards of $10,000 spent in the development of the property. The work was chiefly of a surface character, and gold values were found to exist in all five of the veins uncovered. The Hurd lies one-quarter of a mile south of the Wright-Hargraves and consists of two 40-acre claims.

OPHIR.

A special meeting of shareholders of Ophir Cobalt Mines, Limited, will be held next Monday for the purpose of making some changes in the by-laws of the company and also to ratify the proposal of the directors to increase the capital from $1,000,000 to $1,500,000. The increase is to enable the company to raise further funds to continue the work of development.

There has been heavy trading all week in Ophir, at prices ranging from 11½ to 12¾.

PENTICTON EXPLORATION.

Mining development throughout the province of British Columbia has taken a decided jump during the past couple of years as a result of which many almost forgotten mines and claims are now being worked. One of these is the Armstrong group of claims which were staked about a year and a half ago at a point near Similkameen by Mr. W. A. Armstrong of Penticton. A company headed by D. J. McIntyre of the same place has now been formed to work the property. The name of the new company is the Penticton Exploration and Development Company which will endeavor to furnish the capital among residents of Penticton. The first board of directors is as follows: D. J. McIntyre, H. M. Ramsay, A. Thomson, A. B. Campbell, W. A. Armstrong, Dr. White, Dr. McGregor, O. E. Fisher and G. Pickering. The secretary is N. F. Turnbridge. The claims which have been taken over by the company are said to contain a good showing of silver in addition to which there are one or two other good metals.

The company has already placed on the Penticton market the first flotation of shares all of which were readily disposed of, after which the first general meeting of the company was held, the above directors being elected for the ensuing year. Development work will start as soon as the necessary machinery can be installed.

SILVER QUEEN.

Operations at the old Silver Queen property in Cobalt have again been started, and a carload of ore was sent out last week. The operations at the property are in charge of Jos. Irwin, who is well known throughout the district. A considerable quantity of low-grade ore is known to exist in this mine, and with the present price of silver it is very likely a fair margin of profit can be made. The Silver Queen was formerly under option to the Aladdin-Cobalt Mining Company, and is situated between the Mining Corporation of Canada property and the McKinley-Darragh at the south end of Cobalt Lake.

TIMISKAMING.

According to F. L. Culver, president of the Timiskaming Mines Co., the management is seriously considering the construction of a flotation plant at the Timiskaming mine, thus adding to the already large number of plants of this description in Cobalt. The reason for this is explained by the high price to which silver has soared, and also by the fact that at the mine there is a large dump of tailings which, under present circumstances will warrant retreatment.

Timiskaming shares have been notably strong this week, advancing from an opening of 32¾ on Monday to a close of 35 on Thursday.

COBALT PROVINCIAL.

This week shares of Cobalt Provincial were called on the Standard Mining Exchange. A somewhat interesting story attaches to this mine. Originally known as the Provincial Mine, it was owned by the Ontario Government. It was sold by tender in 1909 to a syndicate; was worked for a time and then closed down. It was re-opened last month under the management of John Redington, mining engineer, and steady progress is being made in development work. The company has its own mill, which is now being over-hauled and enlarged, and early production is anticipated. The property adjoins the Nipissing and the Savage in the southwestern part of the camp.

CONIAGAS.

The Coniagas Company has completed the purchase of the Maidens-Macdonald property. The acquisition of this mine together with the Anchorite, both of which lie side by side, gives Coniagas a large acreage in what is believed to be productive territory. Already installation of a mining plant on the Anchorite is nearing completion and a 500-foot shaft is about to be sunk. Development on the Maidens-Macdonald will likely be prosecuted from this shaft.

MILLING

Price-Fixing Has Evidently Had Little or No Effect—Ogilvie Melon a Sensation.

By J. L. RUTLEDGE.
Editor Canadian Grocer.

In the general milling situation last week's fixation of price for wheat has had little or no effect. Even the western millers setting a price for flour on the basis of 25 cents a barrel profit, and allowing 50 cents a ton on feeds, caused only a nominal interest. The general feeling evidently was that there was nothing of outstanding importance in this action. The action of the United States in adopting this system, had practically made some such action imperative. It was a foregone conclusion that both wheat and flour would have to be somewhere on a parity with American prices, and the changes incident upon arriving at this standard, were of general interest rather than of any outstanding importance. There has been no attempt as yet to set a price in the East, mainly for the reason that Eastern prices have already reached about the standard set by the Western set price.

The Ogilvie melon threw a flood of light on the profits that have been made by milling companies. The amount is additionally surprising in that a similar though smaller melon was disposed of last year by the same company. This year's action caused a good deal of excitement, the public evidently arguing from it that milling stocks were a good buy.

OGILVIE.

Following the statement in last week's issue from one who was "high up" in the Ogilvie Flour Mills Co., that the year ending August 31, had been a "remarkable" one, and by far the best in the history of the firm, the action of the directors this week in declaring a bonus of 15 per cent. did not create the degree of surprise that otherwise would have been felt, but, as it was, it stirred up considerable of a sensation. One year ago, in the corresponding quarter, a bonus of 4 per cent. had been declared, but then the dividend had, later, been raised from an 8 to a 10 per cent. basis, which was expected to modify any intention of the directors to follow suit this year. The bonus as declared makes the dividend on Ogilvie stock for the year an even 25 per cent., as compared with 12 per cent. last year, and ranks in the class of "melons" that the war has raised. The regular dividend and the bonus will be paid on Oct. 1, to shareholders of record Sept. 25.

It is interesting to figure out just what effect this bonus will have on the profits. The common stock amounts to $2,500,000. The 4 per cent. bonus last year added $100,000 to the regular 8 per cent. making a total of $300,000, while there was paid on preferred $140,000. The regular dividend of 10 per cent. this year will require $250,000, and the bonus of 15 per cent. $375,000, or a total on common of $625,000. With the preferred dividend the total would be $765,000, which is almost double the average net income in a normal year. However even with the payment of the large bonus out of profits, it is understood there will be a large surplus. There are about 750 shareholders whose average holdings are 35 shares.

While the fixing of a price for wheat, and the virtual limitation in the price of flour, together with the absence of the appreciation in the value of the stocks of wheat and flour on hand that contributed largely to the profits of Ogilvie during the last two years, will set a limit to profits, it must not be concluded that these will be obscured to any considerable extent in the year to come. On all the operations of the mills there will be a fair profit, and this is likely to be increased so far as the export business is concerned, unless a price-fixing rule operates materially here. As has been announced in these columns the mills are assured of orders during the coming year that will keep them operating to capacity. There is another point that will help the earning power of these mills, the subsidiary activities in addition to the manufacture of flour. The earnings of past years have been invested in channels that are now producing a very profitable return. Various corn products, oatmeal, etc., are manufactured, and in addition there is a very profitable business at the elevators. These number 168 and the capacity exceeds 10,000,000 bushels.

Thus in facing a new year, the mills find their profits checked by a falling market in raw materials, and in a restricted margin of profit, bushel for bushel, and barrel for barrel, while on the part of the buyers, there will continue to be a caution in stocking up. Opposing this is an even more favorable prospect for export trade, and growing possibilities in the allied operations.

The early trading in Ogilvie stock showed a decline to 150, that was only slightly improved in Tuesday's trading. Wednesday, however, showed an advance from the 151 of the previous date trading to 158 with only a deviation of a point from that figure during the day's trading.

MAPLE LEAF.

The sudden leap in price of Maple Leaf Milling Company stock on Wednesday following the announcement of the Ogilvie Company's excess dividend was a pretty fair indication that the public are expecting a sharing of profits to be declared when this company holds its annual meeting. The indications would seem to suggest in any event that the company is in good position, and that when the directors meet to decide the matter of dividend, which will probably be some time toward the end of this week the something better than usual dividend of 2½ will likely be declared. The feeling therefore is evidently that milling stocks are at the present good property, despite price fixing and profit taxes.

The range for the week was from 99 to 107, with the preferred showing an advance of one point to 93 under very light trading.

LAKE OF THE WOODS.

Despite the recent flurry in milling stocks the Lake of the Woods Milling Company securities show no reflected activity. The stock of this company has not been as much in the public eye as has that of some of the other milling concerns, and the business dealings are not as well known to the public. It is probable, however, that more will be known of the company's activities following the annual meeting of shareholders to be held on October 3 at 2.30 p.m. in Montreal.

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

CAPITAL, - - $ 6,500,000
RESERVE, - - 12,000,000
TOTAL ASSETS, - 115,000,000

HEAD OFFICE, HALIFAX

BOARD OF DIRECTORS:

John Y. Payzant, President — Charles Archibald, Vice-President
G. S. Campbell — S. J. Moore — W. W. White, M.D.
Hector McInnes — J. Walter Allison — W. D. Ross.
James Manchester — Hon. N. Curry — Hon. M. C. Grant

GENERAL MANAGER'S OFFICE, TORONTO

H. A. Richardson, General Manager. J. A. McLeod, Asst. General Manager.

A general banking business transacted. Letters of Credit issued, drafts bought and sold, payable in all parts of the world. Savings Deposits opened by deposit of $1 or over, interest added half yearly.

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital .... $ 5,000,000
Reserve 3,400,000
Total Assets .... over $109,000,000

John Galt .... President
H. B. Shaw .... General Manager
J. W. Hamilton... Assistant General Manager

This Bank, having over 310 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch. New York Agency, 49 Wall St., New York City. Geo. Wilson, Agent

CORRESPONDENCE SOLICITED.

NEWS OF SECURITIES

Continued from page 3

TRANSPORTATION

Railroad Earnings Continue to Show the Effects of Rising Operation Costs.

Railroad earnings in Canada and the United States continue to show the effect of rising operation costs in relation to gross receipts. The systems are quite evidently losing the benefits from the increased business they are doing. In England, where the financial interests in the Canadian systems centres, the significance of the recent figures is causing much speculation as to what the future may hold if costs continue to rise and substantial increases in freight rates are not allowed.

The second week of September shows a further improvement in the earnings of the Canadian Northern Railway, while the Canadian Pacific continues to fall a little below the line as compared with last year. The Grand Trunk is running about 4 per cent. above. The gross earnings of the three roads were $4,743,045, compared with $4,649,629 for the corresponding week last year, an increase of about 2½ per cent. The net increase was $93,416, compared with $35,819 of a week ago. This is due to the betterment in the C.N.R., which was over 7 per cent. behind in August, about 1 per cent. ahead for the first week of September, and this past week gained 12.5 per cent. over the corresponding period of last year. Following are the figures for the three roads:

	1917.	1916.	Change
C.P.R.	$2,691,000	$2,728,000	—$37,000
G.T.R.	1,300,745	1,253,629	+ 47,116
C.N.R.	751,300	668,000	+ 83,300
Total	$4,743,045	$4,649,629	+$93,416

These figures are round numbers, but, in brief, they tell the story of how the expenses of wartime living have hit the railroads, especially since the beginning of this year. It cost roundly $207,000,000 more to run the 250,000 miles of railway in this country in the first half of 1917 than it had in the first half of 1916, and the net decline in earnings, taking into consideration increased taxes, amounted to approximately $19,000,000, yet the net income of the fiscal year ended last June 30, and comprising this period of great decline, as well as the last six months of 1916, showed a gain of $40,000,000 over the preceding fiscal year.

The railroads of the United States had gross earnings in the first six months of 1917 which were $200,000,000 greater than the gross earnings for the first six months of 1916; the same railroads had net earnings for the first six months of 1917 which were $19,000,000 less than the net earnings for the first six months of 1916.

CANADIAN PACIFIC.

For the second week in September gross earnings of the Canadian Pacific Railway company amounted to $2,691,000 and, as compared with the corresponding period in 1916, showed a decrease of $37,000, or 1.3 per cent. As compared with the earnings for the first week in September there was an increase of $25,000. Comparative figures follow:

	1917	1916	Dec.	%
Sept. 7	$2,666,000	$2,679,000	$13,000	.4
Sept. 14	2,691,000	2,728,000	37,000	1.3

In another column will be found an analysis of the position of the Canadian Pacific Railway as at the end of the year ending June 30, prepared by THE STATIST.. Figures are compiled to preserve the continuity of comparisons in view of the fact that the company's year has now been changed to expire with the calendar. Speaking of the future, THE STATIST says that when the present abnormal period of activity arising from the war passes away Canada will once more be able to attend to the development of agriculture which is really the backbone of the Dominion and with the resumption of immigration her progress may be expected to continue. However, it must not be ignored that in the period immediately following the conclusion of the war there may be some set-back, but it is likely to be only temporary. The ordinary stock of the company stands at 180 xd, London, or about the same price as just before the war and the return from the 10 per cent. dividend is roughly 5⅞ per cent., allowing for the difference in exchange.

Canadian Pacific went down to 150 on the Canadian exchanges this week, making a new low mark for the year. In New York the price went fractionally under 148, also a low record for the year. Wall Street was uncertain as to whether the decline was due to speculative trading or whether there might have been selling of collateral held by the States by Great Britain. On the other hand a market explanation is that the break was the result of cumulative selling sentiment.

CANADIAN NORTHERN.

The Canadian Northern railway reported gross earnings for the week ending September 14, amounting to $751,300 compared with $666,000 for the corresponding period in 1916, an increase of $83,300 or 12.4 per cent. This compared favorably with the gain shown in the previous week of $6,900 or .9 per cent. Comparative figures follow:—

	1917	1916	Inc.	%
Sept. 7	$715,800	$708,900	$6,900	.9
Sept. 14	751,300	668,000	83,300	12.4

From July 1, to September 14, the earnings amounted to $8,717,200, and were smaller by $178,800 than for the corresponding period a year ago.

GRAND TRUNK.

Gross earnings of the Grand Trunk railway for the second week of September show very little change from the figures reported during the last two months. For the week the earnings amounted to $1,300,745 compared with $1,253,629 for the corresponding period in 1916, an increase of $47,116, or 3.7 per cent. which in turn compared with a gain shown in the previous week of 3.2 per cent. Following are comparative figure:—

	1917	1916	Inc.	%
Sept. 7	$1,317,980	$1,276,061	$41,919	3.2
Sept. 14	1,300,745	1,253,629	47,116	3.7

THE SOO LINE.

All the officers and directors of Minneapolis, St. Paul & Sault Ste. Marie Railroad (Soo Line), were re-elected at the annual meeting. The date of the annual meeting was changed from the third Tuesday in September to the third Tuesday in May to correspond with a recent change in the fiscal year of the company. Lord Shaughnessy, R. B. Angus and I. G. Ogden, of Montreal, again represented the Canadian Pacific interests in the Soo property.

TEXTILES

Securities Passed Another Quiet Week Without Particular Developments.

There has been no particular development in the market this week for textile securities. The demand has been light and price changes have not been important. The cotton markets have shown strength late reports indicating a recovery of about 2½c a pound over last week's figures. This strength has been in accordance with the forecast of the situation published in this column a week ago.

	Close, Sept. 13	Close, Sept. 20	Change
Can. Cot., com.	48	49½	+ 1½
Dom. Tex., com.	83½	81	— 2½
Mon. Knit., com.	35	35	..
Penmans, com.	69	69	..
Do., pref.	84	82	— 2

CANADIAN COTTONS.

Canadian Converters common came in for considerable attention on the market recently. In the movement the price of 50 of a fortnight ago was reduced to 48 and then to 46½. From this low level there was a marked reaction and the price went back to 50 only to show further signs of moderate weakness when it went off half a point to 49½. There have been no developments to indicate the significance of the movements referred to, although the market situation has been somewhat unsettled. There was no activity in the preferred.

DOMINION TEXTILE.

When Dominion Textile common declined this week to 81 from a level of 83¼-83½ last week, there was chiefly indicated the effect of the dividend payment of 1¾ per cent. However, it will be noted that the trend of the market has been slightly easier in the net change indicated.

MONTREAL COTTONS.

Montreal Cottons securities have been quiet recently with no sales for a fortnight. For the common 54 has recently been asked against last sales at 51, but for the preferred there have been no bids.

MONARCH KNITTING.

Small sales of Monarch Knitting common once a week for the past month or so have served to show the steadiness of the market for that security. In fact the price of 35 has prevailed without change since June. Recent bids are 40 asked and 30 bid, which does not show much disposition of holders and prospective buyers to get together. There have been no quotations recently on the preferred.

ELECTRIC RAILWAYS

Little Change in the Market Situation As Regards Public Utility Securities.

The situation as regards Electric Railway and other public utility stocks has recently shown little change. Little improvement in the matter of rising costs for operation can be looked for in the near future. The public attitude too seems to be increasingly unfavorable to private corporations in their operation of utilities. A small incident illustrative of this point is the case of the telephone company at Cobalt which is unable to secure a renewal of its franchise from the municipality and has offered to sell out.

Under such circumstances there is some measure relief in the attitude which has been taken by the senate on the amendment to the railway act by which it was proposed to strangle the Niagara Power Company by giving the municipalities the right to control their own thoroughfares. This would have the effect of nullifying a Dominion charter. The Senate evidently hesitated to take this step despite the popularity of the Beck proposal with the people of Ontario and let the measure die a natural death with the termination of the session.

SHERBROOKE.

It is announced at the offices of the company that the regular annual statement of the Sherbrooke Railway & Power Co., which was due this week will not be issued until the annual report of Southern Canada Power.

The control of the Sherbrooke Co. is now vested in the other as three-quarters of the shareholders exchanged their holdings for preferred shares of the Southern Canada. The stock was 6 per cent., amounting to $300,000, with dividends cumulative from Jan. 1, 1920, in return for the outstanding stock of the Sherbrooke for $1,127,000.

DULUTH-SUPERIOR.

Gross earnings of the Duluth-Superior Traction company for the second week in September were higher by $4,599 than for the corresponding period in 1916, the earnings amounting to $31,770 against $27,171 for last year. For the month to date the earnings amounted to $64,404, an increase of $9,294 or 16.9 per cent., while for the year to date the earnings were $1,100,674, an increase of $148,106, or 15.5 per cent.

After strengthening to 46, the highest point since May, the stock showed a slight reaction to 44½-45.

WINNIPEG ELECTRIC.

A new general manager of the Winnipeg Electric has been appointed in A. W. McLimont, who is regarded as one of the leading traction experts of the continent. Wilford Phillips, who has held the position for some fifteen years is retiring.

Mr. McLimont was employed as engineer under the New York Public Service Commission in New York, and became so successful that his services were in demand throughout the United States. When the rehabilitation of the Chicago & Milwaukee Electric Railway was under way he was retained as engineer of that road, and it is said that in a comparatively short time he had made it one of the model transportation systems of the United States. It is still regarded as a standard by students of traction problems, and has become an important earner.

TORONTO RAILWAY.

Going ex-dividend 2 per cent. took the price of Toronto Railway down two points from 75 to 73. This was followed by further weakness and the loss of another point to 72.

It is interesting to note that the advance to the employees of the company has been followed by a general demand of civic employees for higher wages in proportion to those which the municipality found necessary to pay the men on the civic car lines. This would seem to indicate that the new basis upon which the company put its employees was higher than the general basis for such labor in the city.

The amendment to the railway act which would seriously affect the Niagara Power Company, in which Toronto Railway is interested, has died a natural death in Parliament, having failed to get through the Senate after being passed by the Commons.

BARCELONA.

Since Barcelona touched its low mark of 10½ over a week ago there has been no improvement in the market, and very little trading interest has been shown.

BRAZILIAN

Brazilian Traction developed strength again this week, selling up to 40¼, the best figure in the past month. This appears to be a reflection of the general improvement of conditions in Brazil, the financial status of that country showing steady and marked improvement according to financial opinion in London.

DETROIT UNITED.

Detroit United was in strong demand this week and the price went up to 111¼, which is the highest point which has been recorded on the Canadian market since May.

LIGHT AND POWER

SOUTHERN CANADA POWER.

Gross earnings of the Southern Canada Power Company for the month of July, $33,727, showed an increase of $10,612 over July of last year. However, operating expenses increased from $12,782 to $20,055, thus reducing net earnings to $13,672, or an increase of only $3,339. For the ten months ending with July the gross amounted to $370,816, an increase of $111,758, while the net at $175,805 showed an increase of $39,030.

The Southern Canada Power Company, Limited, is building 88 miles of high tension transmission lines, connecting up the cities of Sherbrooke, Magog, Waterloo, Granby and St. Johns. It is expected that these lines will be completed this fall. When completed this will give the company over 160 miles of high tension transmissions, principally 50,000 volt.

The company have recently purchased property on the main street in Granby, almost opposite the Post Office, and are erecting a new sub-station, office and store for the sale of electrical equipment.

OTHER STOCKS

Market Showed Some Improvement in the Late Trading With N. Y. Influence.

Until the late sessions of the week trading continued to drag along in the rut which it has occupied for some time. However, on Thursday there was a marked improvement in New York, with evidence of a real absorption of securities. This had a sentimental effect on the Canadian situation, although there was no great volume of trading and no marked gains were recorded. On the whole, the Canadian situation showed a slight price improvement for the week, but this was of no material extent. Traders have the opinion that the New York movement referred to may have some further influence in Canada, as the market appears to be pretty well bought up. However, under the prevailing financial conditions, with money at high prices and with a Dominion loan pending, investment movements of great breadth are not looked for.

AMES-HOLDEN-McCREADY.

The travelers for Ames-Holden-McCready, Limited, started out this week with their samples for spring, but of course it is too early yet to estimate sales to the trade in comparison with those of a year ago. The vice-president and general manager, N. R. Feltes, speaking to THE FINANCIAL POST, stated that he anticipated a good volume of business, almost as large as the corresponding period last year, when business was quite brisk in the face of certain advances in the prices of all goods that would follow the "opening" prices. The orders for fall have been up to last year in amount although slightly less in volume, Mr. Feltes reported.

Conditions in the manufacturing end are easing up somewhat. For a long time the factories scarcely knew where to get supplies, so great was the demand, but the excessive prices of leather and the made-up goods have put an end to stocking up and the factories are able to secure the raw material more easily, as they themselves are buying very lightly and will continue to do so. Ames-

McIntyre-Porcupine Mines, Limited

(NO PERSONAL LIABILITY)

Report for 15 months period ended June 30, 1917

Incorporated under the Laws of the Province of Ontario.

CAPITAL STOCK

Authorized 4,000,000 shares, par value $1.00............$4,000,000
Issued 3,610,283 shares, par value $1.00............$3,610,283

LOCATION OF MINES AND WORKS: Schumacher, Ontario, Canada.

HEAD OFFICE: Royal Bank Building, Toronto.

REGISTRAR AND TRANSFER AGENTS: The Toronto General Trusts Corporation, Toronto; Security Transfer and Registrar Company, New York.

OFFICERS:

J. P. Bickell ....President. Sir Henry M. Pellatt.......Vice-President.
M. P. Van der Voort..Secretary-Treasurer L. J. Pashler ....Assistant Secretary.

AUDITORS—Marwick, Mitchell, Peat & Company, London, Eng.; New York, U.S.A., Toronto, Canada.

GENERAL MANAGER—R. J. Ennis, Schumacher, Ontario.

SOLICITOR—M. P. Van der Voort, Toronto, Ont., Canada.

DIRECTORS—J. P. Bickell, Toronto, Ont.; Sir Henry M. Pellatt, Toronto, Ont.; W. J. Sheppard, Waubaushene, Ont.; J. B. Tudhope, Orillia, Ont.; H. D. Symmes, Niagara Falls, Ont.; E. F. B. Johnston, K.C., Toronto, Ont.; Geo. E. Drummond, Montreal, Que.

Toronto, Ontario, September 10th, 1917.

To the Shareholders—

The Directors submit herewith the financial statements and the report of the General Manager covering the operations of your Company for the fifteen months period ended June 30th, 1917.

At the last Annual Meeting it was enacted as a By-law of the Company that the date of closing the fiscal year of the Company hereafter shall be the 30th day of June. Heretofore, our fiscal year ended March 31st, and the reason for extending the date to June 30th was due to the disadvantages experienced in taking an inventory of outlying supplies at a time when the ground was still covered with snow. This change accounts for the period under review at this time being fifteen months.

Capitalization.—The authorized capital is 4,000,000 shares, of which 3,610,283 is issued; 389,717 remaining in the treasury.

In acquiring the outstanding interests in the McIntyre-Extension and McIntyre-Jupiter properties it was the desire of your Directors to keep the capitalization of the Company as low as possible, and in issuing 294,000 and 316,298 shares respectively for the minority interests of these two Companies, the McIntyre Company wrote off at the time of the amalgamation $510,416 of their interest in these Companies.

Financial.—During the period two dividends of 5% each, amounting in all to $361,028.30, were paid to the Shareholders.

Operating results have been highly satisfactory considering the handicaps under which, owing to its standard of value, the mining of gold is carried on while all other metals, due to conditions incidental to the great war, have materially enhanced in value. Mine and milling costs have been low, notwithstanding the exceedingly high cost of supplies and labor and the natural disadvantages attendant upon gold mining under present conditions. The costs shown in the accompanying report include the total costs of operations, *none of our development work being capitalized* or deferred to future operations.

Development on the property continues to be most satisfactory. The main vein in our deepest workings, viz., 1,000-foot level, has been opened up for a distance of 1,150 feet and fully three-quarters of this length is in high-grade milling ore. This vein has been cut by diamond drilling at a depth of 1.387 feet, where it shows a width of nineteen feet of ore assaying $25.30 per ton.

The following is a statement of the property holdings of the Company:

Claim No.	Land Acres	Under Gillies Lake Acres	Under Pearl Lake Acres
13307	24.8	....	15
13308	11.6	23.3	....
13963½	....	....	53.5
14373½	....	....	14.25
13707	40	....	....
13708	6	....	....
13709	35.5	4.5	....
13710	39	....	....
13318	28.25	....	11.5
13319	38.5	....	1.25
	223.65	27.8	95.5

making a total of 346.95 acres.

Plenaurum.—It was our intention to explore the Plenaurum property, a controlling interest of which is under option to the McIntyre-Porcupine, through the Jupiter shaft on the 1,000-foot level. Owing to the shortage of labor we have been unable to make the progress anticipated, and as it will be impossible to complete the work as planned during the life of the option, we have been compelled to resort to diamond drilling as a means of determining its value. Negotiations are now pending for an extension of this option to permit us carrying out the work as originally planned.

It is with the deepest sense of loss and sincere regret that the Directors have to record the death of our late esteemed President, Colonel A. M. Hay, who died of pneumonia at his home in Haileybury, January 20th, 1917.

It is very gratifying to note the efficient and loyal service of our staff rendered under conditions of peculiar difficulty and the Board takes this opportunity of acknowledging their appreciation of the very capable and efficient manner in which Mr. Ennis has conducted the Company's affairs.

For the Directors,
J. P. BICKELL, *President.*

BALANCE SHEET as at June 30th, 1917.

ASSETS.

Current Assets:			
Cash in Bank and on Hand			$ 2,763.06
Bullion in Transit			82,065.14
Values in Solution, Precipitates and By-Products			21,261.46
Accounts Receivable	$ 5,549.48		
Less Reserve for Doubtful Accounts	563.59		
			4,985.89
Dominion Government 20-year 5% War Loan Bonds, 1937 and Accrued Interest			97,666.67
Supplies on Hand			98,395.42
			$ 307,137.64
Fixed Assets:			
Buildings, Machinery and Equipment	$ 814,995.62		
Mining Properties	3,617,254.13		
			4,432,249.75
Investment at Cost:			
Plenaurum Gold Mines, Limited			100,000.00
Charges Deferred to Future Operations:			
Insurance Prepaid	$ 11,611.07		
Sundry Charges	781.66		
			12,392.73
Discount and Commission on Capital Stock	$ 211,992.50		
Less Charged to General Reserve	211,992.50		
			$4,851,780.12

LIABILITIES.

Current Liabilities:			
Accounts Payable			$ 46,165.30
Wages and Salaries Accrued			21,231.03
Bond Interest			288.75
Government Tax on Bullion			18,983.28
Insurance and Taxes			929.04
First Mortgage 7% Gold Bonds:			$ 87,597.40
Bond Issue Authorized	$ 250,000.00		
Less Redeemed	158,000.00		
	$ 92,000.00		
Less Balance in Treasury:			
Unissued	$ 41,500.00		
Purchased	39,500.00		
		81,000.00	
			11,000.00
Reserves:			
Depreciation on Buildings, Machinery and Equipment:			
As at March 31, 1916	137,245.67		
Amount Reserved for period from March 31, 1916, to June 30, 1917	114,763.67		
		252,009.34	
General:			
McIntyre-Jupiter Mines, Limited—Profit on operations prior to acquisition January 1, 1917	83,015.67		
Miscellaneous	65,971.36		
		148,987.03	
			400,996.37
Capital Stock:			
Authorized 4,000,000 shares, par value $1.00 each		$4,000,000.00	
Issued 3,610,283 shares, par value $1.00 each			3,610,283.00
Surplus			741,903.35
			$4,851,780.12

CERTIFICATE OF AUDITORS.

We have audited the accounts of the McIntyre-Porcupine Mines, Limited, for the period of one year and three months ended June 30, 1917, and hereby certify that the above Balance Sheet and relative Profit and Loss Account are in accordance with the books, and, subject to the remark that no provision has been made for Business Profits War Tax for 1916-1917, in our opinion correctly represent the financial position of the Company at the end of and the result of its operations during the period ended June 30, 1917. All our requirements as Auditors have been complied with.

MARWICK, MITCHELL, PEAT & CO.,
Chartered Accountants.

Toronto, Canada, August 25, 1917.

PROFIT AND LOSS ACCOUNT

For the Fifteen Months Ended June 30, 1917.

Earnings:		
Bullion Shipments		$1,843,652.82
Values in Solutions, Precipitates and By-Products		21,261.46
Profit on Customs Milling		16,058.09
		$1,880,972.37
Deduct:		
Ore Purchased		187,931.89
		$1,693,040.48
Operating Expenses:		
Mining and Development	$526,199.53	
Exploration	8,722.63	
Crushing and Transportation of Ore	21,193.80	
Milling	159,005.23	
Repairs to Buildings, etc.	9,166.64	
		724,287.83
		$ 968,752.65
Administration, General and Other Expenses:		
Executive Expenses—Head Office	$ 11,624.35	
Administration and General Expenses at Mine Office	40,856.75	
Taxes, Insurance and Workmen's Compensation	37,661.83	
Heating, Lighting, Water Supply, etc.	22,344.77	
Bullion Marketing Expense	9,404.46	
Miscellaneous Expenses incidental to Amalgamation	9,445.72	
		131,337.88
		$ 837,414.77
Add: Non-Operating Revenue:		
Revenue from Dwellings (Net)	$ 446.01	
Discount on Bonds Purchased	60.00	
Interest, Discount, etc.	1,791.75	
Unclaimed Pay Cheques written off	841.54	
		3,139.30
		$ 840,554.07
Deduct:		
Depreciation on Buildings, Machinery and Equipment		114,763.67
Net Profit for period before providing for depletion of Mining Properties or Business Profits War Tax for 1916-17		$ 725,790.40

SURPLUS ACCOUNT

As at June 30, 1917.

Surplus as at March 31, 1916		$ 383,049.75
Add Sundry Adjustments		1,222.19
		$ 384,271.94
Deduct Business Profits War Tax to March 31, 1915		7,130.69
		$ 377,141.25
Add Profit for one year and three months ended June 30, 1917		725,790.40
		$1,102,931.65
Less Dividends Paid:		
No. 1 at rate of 5%, paid February 15, 1917	$180,514.15	
No. 2 at rate of 5%, paid May 31, 1917	180,514.15	
		361,028.30
Surplus as at June 30, 1917		$ 741,903.35

SUMMARY OF MONTHLY PRODUCTION.

Date	Tons milled	Value per ton	Gross value	Production	Operating Expenses Per ton	Operating Expenses Total	Profit Per ton	Profit Total
1916:								
April	10,477	$ 7.85	$ 82,234.25	$ 78,696.10	$3.77	$ 39,511.64	$3.74	$ 39,184.46
May	10,018	8.90	89,163.35	85,461.66	4.98	49,947.95	3.54	35,513.71
June	9,957	8.14	81,133.35	77,608.57	4.93	49,028.74	2.87	28,579.83
July	9,570	8.16	78,124.00	74,748.81	4.97	47,533.72	2.80	27,215.09
Aug.	9,938	9.27	92,102.03	87,770.13	4.94	49,139.87	3.98	38,630.26
Sept.	9,425	9.83	92,637.44	88,225.75	4.70	44,374.26	4.65	43,851.49
Oct.	10,522	10.14	106,682.68	102,200.12	4.74	49,947.07	4.96	52,253.05
Nov.	12,040	10.38	125,145.41	119,254.54	3.96	47,672.78	5.94	71,581.76
Dec.	10,988	11.34	124,676.13	118,739.56	4.92	54,140.26	5.88	64,599.30
1917:								
Jan.	14,317	10.60	151,760.20	145,297.59	4.79	68,523.14	5.36	76,774.45
Feb.	13,500	10.65	143,801.98	136,080.00	4.97	67,122.69	5.11	68,957.31
Mar.	14,377	10.82	155,570.00	147,792.00	4.92	70,732.78	5.36	77,059.22
April	14,373	9.65	138,787.00	131,847.00	4.97	71,450.00	4.20	60,397.00
May	15,064	9.83	148,194.92	142,470.60	4.80	72,361.95	4.65	70,108.65
June	14,455	10.24	147,517.40	140,789.96	5.18	74,878.31	4.56	65,911.65
	179,021	$ 9.82	$1,757,530.14	$1,676,982.39	$4.78	$856,365.16	$4.58	$820,617.23
Subsidiary Co.'s previous to amalgamation Jan. 1, 1917	16,286	12.11	197,263.14	187,931.89	6.21	101,172.06	5.33	86,759.83
Gr. total.	195,307	$10.00	$1,954,793.28	$1,864,914.28	$4.90	$957,537.22	$4.65	$907,377.06

ESTIMATED ORE RESERVES—At June 30th, 1917.

Location.	Tons	Average Value	Value
Shaft No. 4	9,685	$ 5.89	$ 57,067.00
Shaft No. 5	308,754	12.18	3,761,808.00
Shaft No. 5 (Contact zone ore bodies)	45,945	8.24	377,713.00
Jupiter	22,600	8.24	186,188.00
	386,984	$11.32	$4,382,776.00
Broken Ore Reserves	56,633	9.90	560,258.00
	443,617	$11.14	$4,943,034.00
At March 31st, 1916	201,920	$11.12	$2,247,128.00
At March 31st, 1915	109,698	$ 7.79	$ 854,436.00

In the above estimate of ore reserves an allowance has been made for the reduction of values due to barren schist inclusions in the vein and dilution of broken ore by wall rock. The factor used has been established from the mining of blocks of the estimated ore reserves of March 31st, 1916.

Holden-McCready is fortunate also to have had large supplies of the raw material on hand, so that there will be profit from any increase in the leather market. The prices being asked for the new spring goods are on a line with those that have been asked for all goods sold out of "factory" during the last three or four months, as compared with the lower prices on goods that were "in stock." With conscription coming into force government orders are expected to help out the profits of the mill this year.

A. MACDONALD.

There was a considerable revival of interest in A. Macdonald common this week, with sales running from 300 to 600 shares per day. The price on all transactions was 15, as compared with a range a fortnight ago of 15 down to 13½.

B. C. PACKERS.

The British Columbia packing season is generally admitted now to be far from satisfactory, and a merely fractional pack, at least in the more valuable grades of fish, is to be expected. Recent reports speak of a renewed run. This can only be in the poor grades, however, and though the possibility of a fair sized pack in these grades would do something to mitigate the situation; there would still be a large deficit to be met.

The situation has not added to the activity of British Columbia canners stock, a stock that has been practically dormant since the beginning of the year. The last sale in the common was at 43½; there have been no transactions in the preferred.

CITY DAIRY.

Reports regarding the operations of City Dairy confirm previous information as to the solid, if not extensive, improvement which is being effected in the position of that company under the new management. President C. B. McNaught states that he has been satisfied with the profits, which have been made recently, and it is to be inferred that this means satisfactory progress under the unsettled and trying conditions prevailing in the dairy and allied industries. The controversy as to the price for milk to be charged by the Producers' Association continues. However, as the company's contracts have some time to run, the management is not directly concerned further than that a general advance in the market, which would not affect the company's contracts, should have a favorable reflection upon operations as regards profits. There might be an opportunity granted for a larger margin, it having been contended for some time by the big distributing concerns that profits have been cut too low by the smaller dealers, who do not know definitely the relation of costs of supplies, distribution and overhead and price to the consumer. The company is doing a splendid business in ice cream, and a fair trade also in butter, powdered milk and other milk products. The consumption of ice cream is steadily increasing on the whole, although the present season has not induced the usual hot weather demand, with the exception of a week or so in July.

There is no activity in the company's securities. Bids of 30 for the common and 60 for the preferred are posted daily, but do not bring offers. In trading circles the opinion is that "insiders" are willing to pick up anything they can at the prices referred to.

CANADIAN SALT.

The first sale of Canadian Salt since early in July took place this week. The price was 129, comparing with a last previous of 130 and a high for the year of 134.

CANADA BREAD.

Holders of Canada Bread securities will no doubt, follow with interest the developments with regard to the fixing of wheat and flour prices. However, as has been previously stated, the explanation is made by Mark Bredin that so far as the company is concerned there should be no material difference. A fixed price for flour would remove some of the speculative features of the market, but should not change to any great extent the margin of net profits in the long run. Mr. Bredin is inclined to look favorably upon a fixed price for flour than otherwise so long as the regulation is intelligently enforced. There were a few sales of the company's stock this week at 15, showing no change from the last previous about the middle of July.

CANADIAN RUBBER.

A small transaction in Canadian Consolidated Rubber common stock this week at 99¾ was the first indication in some time of the strength of that stock. The last previous sale was recorded during the latter part of March at 90. Following the sale at 99¾ this week, the asked price went up to 105, which had the effect of checking buying interest. Developments in the rubber market generally have been favorable to the company, and operations in the manufacture of automobile tires have been on a very large scale. There have been no sales of the preferred since the middle of July.

COCKSHUTT PLOW.

Although the annual statement of the Cockshutt Plow company shows a considerable decrease in profits as compared with a year ago, the balance sheet may be regarded as a satisfactory one under the abnormal conditions which have prevailed and which are briefly but effectively described by the president, H. Cockshutt. Accounts and notes receivable have been substantially decreased and this is reflected in the reduction of bank and other loans outstanding. The merchandising account also indicates conservative handling. Altogether the liabilities decreased during the year to the extent of $1,341,857 and the shareholders are informed that this amount might have been made about $600,000 greater had it not been for the increase of inventories consequent upon the higher cost of materials. With the improvement in the company's position referred and the prospect of more profitable business in both the Canadian and export markets, the directors appear to be justified in their confidence that a small dividend on the preferred stock may be paid in the near future. The 7 per cent. cumulative preference dividend was deferred for the quarter ending September 30, 1914, and since.

CANADA CEMENT.

As stated elsewhere, the general manager of Canada Cement Co., F. P. Jones, secured a fine order for 6-inch shells in Ottawa on Wednesday, what is called a six months' order. This means a continuation of the munitions business, and incidentally the big profits that have been the result of past orders. Sales of cement continue to exceed those of last year.

DOMINION CANNERS.

With the advance of the canning season, prospects are not taking on any brighter appearance. With the early output very light, only a good strong pack of tomatoes and corn will be sufficient to assure a good year's business. The present indications are that this will not be forthcoming. The cold weather that has prevailed for some time past, with incidental frosts, has practically put an end to the growth of the tomato vines. Should favorable weather be the rule from now to the end of the canning season, some of this loss might be retrieved. Corn also has suffered to a considerable extent from frosts, that will militate against any further development, and retard the packing of this commodity, a dangerous situation with the season of heavier frosts drawing daily nearer.

During the first ten days of the tomato pack, the actual pack only amounted to some 3 per cent. of the normal. Should this condition be maintained through the whole season, the best that could be hoped for would be around a 25 per cent. output. In the opinion of some of those well versed in the situation, this is about what is to be expected. This, with no hold-over to fall back upon, creates a serious situation.

On the other hand the Dominion Canners are in much better position than they were last year, in that they have no binding selling contracts, and are consequently not faced with the possible necessity of going into a high market to purchase sufficient goods to deliver contracts. This year there are no contracts, and there will be instead a pro rata distribution, as far as the pack goes.

There has been no movement of late in the stock of the company, 22 being the last selling price for the common, and 75 for the preferred.

GENERAL ELECTRIC.

With a dividend payment of 2 per cent., the common stock of the Canadian General Electric Company fell off just that amount. Last week 105 was touched practically every day until the payment referred to; since, 103 has been the daily high mark. Fluctuations have not been great and sales have attained no great volume.

LYALL CONSTRUCTION.

While the street still refuses to take seriously the late declaration of an 8 per cent. dividend on P. Lyall & Sons Construction Co., the directors insist that this action had no connection with a desire to influence the stock but was taken entirely out of regard to the business of the construction company, disregarding the munition business and its possibilities one way or another. When definite mention was made in THE FINANCIAL POST of the new three months' order for six-inch shells that the company had secured, there was at once a tendency to attribute the knowledge of this to the dividend movement, as it was known that on the last orders the company had made a splendid record. In answer to an inquiry along this line a director stated that this order did not influence the board one whit.

MARITIME TELEGRAPH.

The Maritime Telegraph and Telephone Company is waiting with more or less patience for the decision of the Board of Public Utilites as to the schedule of rates which they are to be allowed to charge for their service in order that 8 per cent. may be earned on the capital actually invested in the concern. That is the standard that has been accepted, not 8 per cent. on the nominal or even on the real capital, but on what an expert appraisement has shown is the sum put into the plant and equipment and making the enterprise what it is as a public utility company. If 8 per cent. is thus allowed on the bona fide investment, the company believes it will be enabled to pay 6 per cent. on the capital. The Board of Public Utilities employed a Boston telephone expert to prepare a schedule which would yield the 8 per cent. required and it is his report that the board is now considering and the result of which the company awaits.

RUSSELL MOTOR.

In any survey of the progress of the Russell Motor Car Co. for the year, the contribution to the general result by the Canada Cycle & Motor Co. must not be overlooked. The latter company, which is owned by the Russell Co., has been operating its new plant at Weston since the first of the calendar year. While the task of moving from West Toronto to Weston tended to disorganize business to a considerable extent, yet the company has been very busy and has had all it could do to handle orders; indeed, it was unable to catch up with orders offering. The statement for the year just closed is not yet available, but indications are that a favorable showing will be made.

"We are getting things nicely straightened out now," stated J. W. Gibson, general manager, to THE FINANCIAL POST, "and the outlook for next year is pretty good. The demand for bicycles has been heavier than usual this season, and we weren't able to keep up with our orders. Now that we have got the new plant thoroughly organized, however, we hope to be able to handle all business offering. The labor situation so far has been none too good, but it is improving. The munition business tended to unsettle labor and cause a good deal of shifting about, but now that it is easing off, we look for steadier conditions."

TOOKE BROTHERS.

Tooke Brothers preferred sold this week at 76 for a small block of five shares. This compared with a price of 70 during the last week of August. The common still fails to attract trading interest.

Stock Movements of the Week

This table records securities active on the Stock Exchanges.

Week ending Sept. 20:

							Range 1917 to Sept. 13	
Banks—	Ask.	Bid.	High	Low	Last	Sales	High	Low
British North Am..	...	112	112	112	112	1	112	112
Commerce	...	184	185	183½	185	44	188	183
Hochelaga	142	...	142	141⅞	141⅞	9	145	142½
Imperial	196	194	196	196	196	6	200½	190
Montreal	214	...	214	213	213	24	234	214
Nova Scotia	250	...	253	253	253	5	257½	252
Ottawa	202¼	...	200	200	200	2	202	200
Royal	209¾	208	210½	209½	210	35	214	210
Standard	...	204	204	204	204	2	215	203
Union	140	138	138½	138	138	28	142	136
Transportation—								
Barcelona	10½	10¼	10½	10½	10½	30	17	10½
Brazilian Traction	40½	40	40¼	39	39¾	1,396	47¾	37
Can. Steamshp. com.	43½	42½	43	40¾	43	1,625	45⅝	29¾
Can. Steamshp. pref.	78	77	78	77	78	341	93¾	76¼
Canadian Pacific	152	150	155	150	150½	108	167½	149½
Detroit United	111½	110¼	111¼	107	110	1,900	128	106½
Duluth Super. com.	45	44½	46	44½	44¾	104	51⅛	40
Ill. Traction, com..	...	34	35	35	35	25	...	...
Quebec Ry., L., H..	18½	17¾	18½	17	18½	100	35½	16
Toronto Railway	72½	71	73	72	72	291	90½	73
Twin City, com.	80¼	80	82	80	80	240	95	83½
Winnipeg Electric	50	48	48	48	48	25	81	36
Telegraph, Light and Power—								
Bell Telephone	136	...	136	135	135	31	150	136⅜
Consumers Gas	149	...	150	148½	148½	22	165½	150
Civic Invest.	72¾	72½	73½	72½	72¾	732	82⅞	73¼
Mackay, com.	79	77	79½	77½	77½	191	90	79
Mackay, pref.	64	63	64	63½	63½	90	68	63⅞
Ottawa Light, Heat	70	...	70	70	70	35	92	75
Shawinigan W. & P.	...	118	118	117⅛	117⅛	63	130½	118¼
Industrials—								
Abitibi P. & P.	...	55	55	55	55	25	...	...
Ames, Holden, com.	15¼	15	15½	15	15	100	23¾	14
Do., pref.	50	...	50	49	49⅛	100	61	48
F. N. Burt, pref...	88	...	88	88	88	20	93½	88
Can. Bread, com.	15	14	15	15	15	20	17	15
Can. Cement, com.	62	61	62	60½	61	183	69⅞	56
Do., pref.	92	90	91½	90	90	32	95¾	90
Carriage Fact., com.	21	20⅛	20	20	20	85	25	9¼
Can. Car, com.	30	27½	28	26	27	230	46½	25¼
Do., pref.	64	62	65	61	63	625	89	59
Can. Salt	...	129	129	129	129	5	...	...
Can. Cottons, com.	...	49½	50	46½	49½	180	56	48
Can. Forgings	165	159¾	165¼	165	165	90	205	150
Can. Loc., pref.	86	83	86	86	86	3	91½	84
Can. Con. Rub., com.	...	99¾	99¾	99¾	99¾	6	97½	90
Can. Gen. Ele., com.	103½	102½	103¼	102	103	259	115½	100¼
City Dairy, pref...	...	60	60	60	60	10	70	60
Dom. Bridge, com..	146	143⅞	154	141½	153	2,487	170	125
Dom. Iron, pref...	...	89	89	89	89	14	95	89
Dom. Steel Corp...	63	62¾	62⅜	59¾	62⅜	2,508	71¼	52¾
Dom. Coal, pref.	...	96	96	90	96	6	96½	85
Dom. Textile, com..	82	81	81¾	81	81	65	89	76½
Goodwins, pref.	45	...	45	45	45	5	45	...
Lake of the Woods.	...	125	125	124¾	125	20	130	124
Laurentide	171	165	169¾	167	167	250	195	170
A. Macdonald, com..	15	14¾	15	15	15	580	15½	8
Maple Leaf, com...	110	109¾	110	99	110	1,038	115	90
Do., pref.	93	91½	93	93	93	5	103	91¾
Mon. Knitting, com.	40	30	35	35	35	30	40	35
Ont. Steel	29	28½	30	29	29	50	34	18
N.S. Steel, com.	96	93	92½	92	92	266	128	88½
Do., pref.	...	105	105	105	105	5	112	105
Ogilvie Flour, com.	160	158	158	150	158	229	154	137
Penmans, com.	69	...	69½	69	69	25	73½	69
Do., pref.	...	83	83	82	82	10	86	81½
Riordon Pulp, com.	118	115	118	118	118	5	127	106
Russell Motor, com.	...	69	69	69	69	5	92	70
Span. R. Pulp, com.	...	14	16½	15	15	125	19	12½
Steel of Can., com.	57¾	57	57½	51½	57½	6,794	71½	52
Do., pref.	...	87½	89½	87	87½	186	100½	88½
Tooke Bros., pref.	...	76	76	76	76	5	79	70
Nat. Steel Car, com.	...	6	6	5	5	50	21	6
Wayagamack Pulp	...	52½	54½	54½	54½	20	95	50

UNLISTED SECURITIES.

	Bid	Asked
Abitibi Power, com.	53.00	57.00
Amer. Sales Book, pref..	.....	95.00
Alberta Pac. Grain, pref.	90.00	96.00
Atlantic Sugar, pref.	29.00	33.00
Arena Bonds	.....	90.00
Belding Paul, pref.	80.00	85.00
Belding Paul, com.	10.00	15.00
Brand-Henderson, com.	.....	50.00
Can. Machinery, pref.	42.00	.....
Do., 6's	73.50	78.50
Can. Furniture, pref.	.....	45.00
Can. Paper, pref.	.....	90.00
Cockshutt Plow, pref.	73.00	77.50
Canada Marconi	1.50	2.00
Crown Trust, Montreal	90.00	93.00
Chicago N. Shore 1st. pf.	.....	50.00
Chapman Ball Bearing	32.00	40.00
Continental Life	20.00	26.00
Collingwood Ship, 6's	.....	96.00
Collingwood Ship, com.	.....	75.00
Dom. Linseed Oil	71.00	.....
Dom. Glass, com.	25.00	28.00
Dom. Steel 6%, pref.	85.00	90.00
Dom. Pow. & Trans., pref.	94.00	97.50
Dom. Pow. & Trans., cm.	.....	60.00
Dom. Permanent Loan	68.00	70.00
Dom. Sugar, com	110.00	.....
Dunlop Tire, pref.	92.00	96.00
Eastern Car, pref.	.....	60.00
Ford Motor	200.00	225.00
Great West Perm. Loan.	.....	70.00
Goodyear Tire & Rubber, com.	180.00	200.00
Home Bank	64.00	67.00
Imperial Oil	380.00	397.00
International Mill 6's	.....	96.00
Imperial Steel, pref.	.....	4.50
Lambton Golf Club	325.00	385.00
McDonald, pref.	83.00	86.50
Morrow Screw 6's	85.00	92.00
Mississauga Golf Club	.....	60.00
Milton Pressed Brick	23.00	.....
Mon. Life Assur. Co.	12.00	20.00
Mex. Mahogany, bonds	.....	57.00
Do., com.	.....	10.00
Massey-Harris	123.00	134.00
North. Crown Bank	60.00	.....
North. Ont. L. & P. 6's	.....	86.00
National Drug, pref. 7%	90.00	.....
Niagara Lock & Ont. 5's	.....	90.50
Ont. Pulp Bonds	80.00	83.50
Penn. Water Power, com.	70.00	.....
People's Loan & Sav.	81.00	90.00
Prudential Trust	.....	80.00
P. L. Robertson Screw	35.00	.....
Stand. Rel. Ln. (par 50)	47.00	49.00
Sterling Bank	88.00	93.00
South. Can. Power 6's	.....	92.00
Sovereign Life	.....	17.00
Sterling Coal Bonds	60.00	.....
Toronto Paper 6's	85.00	92.00
Trust & Guarantee	85.00	90.00
Tooke Bros., pref.	65.00	72.00
Univer. Steel Tool, com.	.....	23.00
West. Can. Flour, com.	110.00	138.00

An Obsolete Compliment

It used to be considered a compliment to appoint a friend as executor. But the estate often suffered so much from the executor's absence, illness or death that the compliment proved a very expensive one.

Nowadays it is realized better that with most men personal affairs take up all their time outside business. In appointing a personal executor the appointor must expect estates matters to be left to what little spare time the executor has.

Many people, dissatisfied with this prospect, have appointed this Company as their executor. It has greater financial responsibility than most individuals and is not liable to the other disabilities to which they are subject. Booklets on request.

National Trust Company Limited

Capital Paid-up, $1,500,000 — Reserve, $1,500,000

18-22 King Street East, Toronto.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

CONDITIONS IN BRAZIL

Business Continues Quiet and Money is Tight, Says Bank Report.

Mail advices to the British Bank of South America, and published in its London circular, state that business in Brazil continues quiet and money is rather tight, more especially in Sao Paulo. Imports are small but steady, buyers only taking for their present requirements. Many exporters of cereals are carrying large stocks and holding on in the hope of higher prices. In Sao Paulo nearly 40 millions of lire have been subscribed to the recent Italian War Loan. It is said, however, that this money will probably not be remitted to Italy, but will be retained to pay for exports to that country.

The coffee market is more or less paralyzed and there has been little movement. The demand from the United States (always Brazil's best customer for coffee) has fallen off, although there is plenty of tonnage offering. For Europe sales are very limited, due in part to restrictions on importation and in part to scarcity of tonnage.

Sugar-planting has been on a larger scale than in recent years and prospects for the 1917-18 crop continue good. First estimates place the whole crop at 7,350,000 bags (of 60 kilogrammes).

ADVERTISING AIDED GAIN.

Texas Co. Surplus is $19,724,526, a New Record.

Extensive advertising, increases in prices received for crude and refined oils and enlargement of its field of operation and distribution enabled the Texas Company to establish new records for earnings in the last year. Its statement, which includes the twelve months ended June 30, shows a surplus of $19,724,526 available for dividends, or an increase of $5,825,664 over the preceding fiscal year. This surplus is equivalent to $35.54 a share earned on the $55,500,000 capital stock, as compared with $37.56 a share earned last year on the smaller capitalization of $37,000,000.

The balance of $19,724,526 compares with $13,898,862 in 1916, $6,393,327 in 1915, and $6,185,974 in 1914. The company's surplus amounts to $40,270,189, as compared with $25,078,163 in 1916. Reserves of $3,183,398 were set aside from the net earnings comprising $2,047,217 for the sinking fund and depreciation account, $1,000,000 for taxes, and $136,180 for bad and doubtful accounts.

One factor which brought the Texas Company rapidly to the front was the advertising campaign in trade news papers and magazines, and the general press, in behalf of its products, particularly automobile oils. This campaign is being increased annually.

The oil inventory amounts to $40,178,773, compared with $29,993,611 in the same period of the previous year. The cash on hand on June 30 amounted to $6,657,389, compared with $5,661,081 last year. Advances during the year to subsidiary companies amounted to $22,684,944, compared with $3,716,007 last year.

Montreal proposes to raise by popular loan the $7,000,000 needed to finance its present requirements.

A. J. PATTISON, Jr. & CO.

SPECIALISTS

Unlisted Securities

Correspondence Solicited

56 KING ST. W., TORONTO

CANADIAN HESSION TILLERS AND TRACTORS, LIMITED

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 16th day of August, 1917, incorporating Henry David Petrie, barrister-at-law, Thomas Crompton, estate dealer, Alexander McKenzie Snyder, broker, Adam Henry Hope, accountant, and Frederick Charles Petrie, salesman, all of the City of Hamilton, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, prepare for market and market tillers, tractors and farming implements; (b) To erect, construct, build, lease, purchase or otherwise acquire, hold, own, use, equip, operate, or in any manner turn to account, or dispose of buildings of any and every kind, stores, store-houses, warehouses, offices, agencies, factories, plants, machinery, tools, equipment of any kind, with its appurtenances and appliances and therein or thereout, to manufacture, produce, obtain, assemble, use, own, develop, demonstrate, display, deal and trade in, barter, exchange, vend, sell, or in any manner turn to account or dispose of tillers, tractors and farming implements that may be used in connection therewith, or any parts appertaining thereto, or any supplies used in connection therewith, or any tools or fixtures essential therefor, or any other articles or things required to manufacture and prepare for market and to market. To acquire any invention, patents, patent rights or licenses to manufacture, thereunder, by way of purchase, royalty or otherwise; (c) To purchase from Daniel F. Hession and Israel Lewis Currier or either of them a license or a right to manufacture and deal in tillers or tractors now designed, or which may be hereafter designed by Daniel F. Hession; (d) To pay for any property, rights and things required by the company or for services rendered to the company in cash, fully paid shares of the capital stock of the company or its bonds and debentures; (e) To amalgamate with any other company having objects similar to those of the company; (f) To invest the moneys not immediately required in such securities and in such manner as may from time to time be determined; (g) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company, having objects altogether or in part, similar to those of the company; (h) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (i) To do all or any of the above things as contractors or otherwise and either alone or in conjunction with others; (j) To purchase, lease or acquire and develop water or other power and to use the same and to lease, sell or otherwise dispose of any surplus thereof; (k) To purchase or otherwise acquire on such terms and in such manner as the directors of the company from time to time decide, any shares of the capital stock of this company, provided that consideration therefor be paid out of the company's profits or surplus, if any, and not out of the capital of the company; (l) To pay out of the funds of the company, all costs and expenses of and incidental to the incorporation, advertising, promotion and organization of the company; (m) And to do all such other things as may be deemed useful, necessary or desirable in the attainment of any of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Canadian Hession Tillers and Tractors, Limited," with a capital stock of five million dollars, divided into 500,000 shares of ten dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada this 18th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

H. D. Petrie, Barrister at Hamilton, Ont., Solicitor for Incorporators.

BACON EMBARGO PURELY MATTER OF FINANCES

Canada Will Have to Finance Business if She Wants it.

WHEAT MAY BE ADDED

Late Report Has it That Grain and Flour May be in Same Position as Bacon—Sir Thomas White to Packers.

In reference to the embargo on the purchase of bacon by the British Government, further indications substantiate the position taken by THE FINANCIAL POST, that this curtailment was the result of a general policy of retrenchment similar to that instituted in munition contracts. THE FINANCIAL POST indeed is in a position to state that this is the case and that it is not as was believed in some quarters the result of the O'Connor report. Some time ago when the embargo first became a possibility, the representatives of the packers in England, waited upon representatives of the British Government, and were definitely informed that the business was withdrawn, because it had to be done on a cash basis, that the British Government would be glad to give Canada the business provided that the Canadian Government could finance the operation, but that failing this, it would be necessary for them to purchase their requirements where such credit could be obtained. It was also hinted that the American loans to the British Government, carried with them a certain obligation to put a fair share of the business done in that direction.

When faced with these cold facts the representatives of the packers went to Ottawa, and interviewed the Finance Minister, Sir Thomas White.

The result of this visit was not altogether satisfactory. Sir Thomas, while stating that he had been expecting to see them for some time, thus giving color to the report that the munition and the bacon embargo were practically promulgated at the same time, could not give any definite answer as to how the question could be met. He stated that the government was already financing munition contracts, to the extent of from $25,000,000 to $50,000,000 and that th had proved a considerable tax on their resources, that after large purchases of cheese, the British Government had also asked them to carry this amount totalling somewhere around $40,000,000. In response to the packers' announcement that it would require from $75,000,000 to $100,000,000 to carry this business, he stated frankly that he did not see where the necessary finances were to come from to handle this added burden.

It was urged upon him that this matter had not only a financial significance but a political significance as well. That the curtailment of this business would be a sore blow to a country whose main assets were in its agricultural and allied interests. It was further pointed out that the curtailment of the European market, would not result merely in the practical elimination of the packing industry, which was of comparatively minor importance, but would be a blow to the whole Canadian farming industry, as the farm products would have to seek a market in the United States, and that American buyers knowing this to be a forced sale would purchase these goods at such a figure as would permit them to handle export business, at a profitable margin. In this way the Canadian farming and grazing industry, built up to large proportions during the war, and the only tangible asset to be gained therefrom, would be at once relegated to a hopelessly secondary position.

The argument was raised that if some business had to be sacrificed it should be the munition business that if business had to be turned toward the United States it should be munition business, an issue that would be dead as soon as the war was over and that some of the money devoted to financing this business should be turned to the financing of business in which the country as a whole was vitally interested.

The Finance Minister admitted the force of the arguments raised and promised to call the banking interests into conference to see if some solution could be arrived at. Up to the present no indication of any definite action having been taken has been forthcoming.

During the course of the last day or so, another rumor has been afloat, that while it appears to lack any official confirmation, as did the first rumors of both the munition and bacon embargoes, appears to have a good deal of vitality. This rumor is to the effect that the British Government will purchase no more grain in Canada unless Canada is in a position to finance the deal.

Hedley Shaw of the Lake of the Woods Milling Company, while admitting that the rumor was known to him, stated that he could not vouch for its authenticity. Their company, he stated were still delivering on old contracts and had gone after no new business of late and consequently he was not in a position to say if such business was available. He was able to say however, that all the wheat offering had found a ready market, and that he did not know of any milling company whose business had been curtailed. This rumor therefore as yet lacks any vertification, should it prove true, it would only doubly complicate the situation as outlined above, and make the problems of Governmental financing the more acute.

STARTING WORK.

Survey of Montreal's Civic Administration Has Begun.

G. M. McAdam, the first of the general staff of the New York Bureau of Municipal Reseach, which will make a survey of the civic administration of Montreal, arrived on the ground last week. The survey will be conducted by ten men, who will be under the direction of H. R. Sands. They will be distributed among the different departments and will work perhaps for three or four months. It is the desire of the Board of Control to have a preliminary report ready on civic finances before the next session of the Quebec Legislature.

$3,800,000 DROP IN DEBENTURES OUTSIDE CANADA

Loan Companies Thrown on Own Resources to This Extent.

IMPROVED 1915 RECORD

Ontario Government Report Shows Better Conditions for Most Part—Interesting Comparisons of Interest Charges.

One of the most significant features of the report of the Registrar of Loan Corporations for the Province of Ontario for the past year is the decline in debenture holdings outside of Canada. The aggregate for the loan and trust companies decreased from $76,272,865 in 1915 to $72,461,977 in 1916, a decline of over $3,800,000. While from a percentage point of view this is not large, the net result is to withdraw just that amount of capital from Canada. The calling in of this amount, by outside investors is explained partly as due to necessity, but quite as much the result of claims resting upon the holders to change over their Canadian investments and transfer them to Government loans. That the change is limited mainly to English and Scotch investors is indicated by the Credit Foncer holding the total of 1915 practically intact, the decline being only $87,308, from $38,222,972 to $38,135,664, little more than one-fifth of one per cent. The reductions in outside holdings of debentures as a comparison of the items on the accompanying list will show, ranged as high as 30 per cent. In a single instance the position was reversed, and an increase of nearly 20 per cent. was registered. As was natural, the decline of 1915 over 1914 was very small in comparison, as the 1914 total was $76,655,353, or barely $183,000 in excess.

If the decline should continue to any considerable extent it would curtail seriously the lending facilities of the corporations, but for the present, at least, they are reaching a stronger position themselves, and in some cases the figures of cash available are very impressing.

Apart from this one aspect, a result to a great exent of patriotic action on the part of British investors, the reports of these loan corporations, loaning land companies and trust companies are very favorable and show a close approach to normal business, after a heavy slump in 1915.

Receipts Growing.

Figures covering the past three years will indicate this:

	1916.	1915.	1914.
Total receipts	$314,134,283	$241,729,473	$305,604,414
(a) From depositors	54,291,148	45,298,798	63,323,450
(b) From borrowers and invest.	62,495,677	49,845,811	67,603,719
(c) Debentures issued	11,406,895	10,775,149	13,238,537

Expenditure Items.

There was a slight increase of loans on mortgages by the loan corporations, from $11,186,339 to $11,842,938, but these amounts are barely half the total for the year 1914, which exceeded $22,000,000. Among the items for the three years under expenditure on the part of the corporations are:

	1916.	1915.	1914.
Loaned on mortgages	$ 11,842,938	$11,186,339	$ 22,340,627
Loaned on other securities	20,913,597	12,059,444	15,107,201
Deposits paid off	52,634,753	42,978,455	53,233,154
Debentures paid off	15,253,667	12,603,258	14,129,803
Cost of management	1,640,675	1,562,115	1,718,429
Balance, cash	7,111,460	8,249,211	6,279,753
Totals	$113,850,951	$93,270,172	$117,353,105

The trust companies, acting as trustees, guardians or agents in trust, received $47,823,464 from borrowers, compared with $39,997,661 in 1915. Real estate rents brought $1,569,783 compared with $1,414,116, while sales amounted to $3,490,607 compared with $1,860,585 in 1915. The sales in 1914 were $1,779,462 so that the 1916 business stands out strong in this respect.

The trust companies received for investment $50,851,125 in 1916, as against $57,672,785 the previous year, and $69,880,782 in 1914.

Loans on Mortgages.

The trust companies loaned on mortgages—on trust or agency account, $7,016,842, compared with $7,741,767 in 1915, and $12,087,529 in 1915, and $12,087,529 in 1914. There was loaned on other securities $31,242,063; in 1915, $14,032,349 and $27,626,097 in 1914. The repayment of trust funds reached $98,671,176 in 1916; $77,767,529 in 1915 and $83,396,060 in 1914.

Rates of Interest.

The rates of interest paid on deposits and debentures and other securities show a slight advance, less, however, than next year's report is certain to do. For the past three years these run as follows, taking in all the companies:

	1916	1915	1914
Deposits	3.68	3.69	3.53
Debentures	4.76	4.68	4.57
Debenture stock	4.25	4.00	4.00

The loan companies with permanent stock paid 3.54 per cent. in 1916 on deposits, 4.69 on debentures, and 4.25 on debenture stock, compared with 3.58, 4.54 and an even 4 per cent. respectively in 1915.

On mortgages of realty the loan companies with permanent stock paid 7.116 per cent. in 1916; 7.106 in 1915; and 6.975 in 1914. Other securities ran 5.815, 5.823 and 5.715 for the three years respectively.

Trust companies received 6.873 per cent. in 1916, 6.913 in 1915 and 7.003 in 1914 on mortgages of realty.

The total liabilities for 1916 were $72,953,143 as compared with $70,863,630 in 1915 and $69,532,355 in 1914. The chief difference between 1916 and 1915 lay in the reserve fund.

The assets for the three years compare as $198,202,094 to $196,505,742 in 1915 and $192,396,432 in 1914.

Debts secured by municipal debentures and debenture stock amounted to $7,269,761 in 1916, as against $3,104,887 in 1915 and $4,596,627 in 1914.

DECREASE IN DEBENTURES PAYABLE OUTSIDE OF CANADA.

	1916	1915	Decrease
Canada Landed & Nat. Investment	$ 3,742,093	$ 3,831,645	$ 89,552
Canada Permanent	11,242,693	12,843,101	1,600,408
Canadian Mortgage Investment	623,858	644,249	20,391
Central Canada Loan	2,547,717	2,849,146	301,429
Credit Foncier	38,135,664	38,222,972	87,308
Dominion Savings & Invest. Society	197,097	267,347	70,250
Guelph & Ontario Investment	179,419	235,102	55,683
Hamilton Provident	607,894	855,364	247,470
Huron & Erie	4,800,955	5,378,117	577,162
Landed Banking & Loan	476,446	397,509	*78,937
Colonial Investment	524,052	598,050	73,998
Ontario Loan	1,821,934	2,055,218	233,284
Victoria Loan	20,537	22,727	2,190
Toronto Mortgage	1,473,918	1,631,646	157,728
Standard Reliance	114,171	131,691	17,520
Great West Permanent Loan	660,990	711,798	50,808
London Loan	710,002	749,033	39,031
London & Canadian Loan	2,320,840	2,545,583	224,743
Real Estate Loan	588,594	608,759	20,165
Edinburgh Canadian Mortgage	452,036	482,379	30,343
Toronto Savings & Loan	835,736	898,954	63,218
Scottish Ontario & Manitoba Land	487,041	503,712	16,671

*Increase.

U. S. AND GOLD SUPPLY.

Embargo to Prevent Precious Metal Getting to Enemy.

The United States has now followed the footsteps of all the other belligerent countries and has placed legal restrictions on the movement of gold from its shores. It had been practically the only free gold market in the world.

The action of President Wilson in issuing a proclamation making it unlawful to export "coin, bullion, and currency," except under special license issued by the Secretary of the Treasury, after approval by the Federal Reserve Board, is quite different from the embargoes placed on gold exports by other Governments. The object of the President's order is to place the authorities in a position in which they will have opportunity to supervise shipments, thus preventing gold from getting indirectly into the possession of the enemy. A second consideration, which practical application may prove to be the more important one, is to vest the Federal Reserve Board with authority to regulate and control the outflow of the precious metal.

CANADA'S IMPORTS.

Shipments of Food Stuffs From U.S. Under License.

WASHINGTON. — Co-operating with the Canadian Food Controller, the Exports Administrative Board, at the request of the United States Food Administrator, announces that all exports of wheat, wheat flour, butter and sugar to Canada and Newfoundland will require individual license for each shipment, instead of being allowed to proceed as heretofore under the special license issued through the Customs Service, which permitted these articles to go to Canada in unlimited quantities. Since the issuing of the proclamation of August 27, 1917, individual licenses for export to all other foreign points

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BETHLEHEM'S C

A New Issue of $30,00
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TRACKLESS TRO

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FRIDAY'S PRIC

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Mackay, com.	
Dom. Steel, com.	
Steamships, com.	
Can. Bread, com.	
Maple Leaf, com.	1
Nip. Mines	9
Steel of Can., com.	
Brazilian	
Can. Cement, com.	
Standard Bank	2
Dominion Bank	2
Can. Perm.	1
War Loan (1931)	
War Loan (1937)	9

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$1,000,000

GOVERNMENT OF

PROVINCE OF ONTARIO

4% COUPON GOLD BONDS

Dated 1st March, 1916 *Due 1st March, 1926*

Principal and half-yearly interest (1st March and 1st September) payable in gold at the Provincial Treasurer's Office, Toronto, or at the Agency of the Bank of Montreal, New York or London, England, at the holder's option.

Denomination $1,000.

These bonds are a direct obligation of the Province of Ontario.

PRICE: 87.44 and Interest, Yielding 5.90%

The bonds are now ready for immediate delivery.

A. E. AMES & CO.

Investment Securities

UNION BANK BUILDING, TORONTO
Transportation Building - Montreal
74 Broadway, New York

Established 1889

THE COLONIAL INVESTMENT AND LOAN COMPANY

Capital Authorized - $5,000,000.00
Capital Paid Up - - $2,453,995.83
Assets - - - - - - $3,527,985.91

HEAD OFFICE:
15 Richmond Street West
TORONTO, ONT.

Investments for $100 and multiples thereof

WHENEVER you have $100 or multiples of this sum, to invest, buy a Colonial Debenture, bearing interest at 5½%, and security fully guaranteed.

Interest Coupons, payable to bearer, are attached. Interest is payable half-yearly.

These Debentures are issued for periods of any length up to 10 years—to suit the purchaser's requirements.

Write or phone for full information.

DIVIDENDS DECLARED

Central Canada Loan & Savings Company

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of TWO AND ONE-HALF PER CENT. (2½%) for the three months ending September 30, 1917, at the rate of TEN PER CENT. per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Monday, the 1st of October, 1917. The Transfer Books will be closed from the 17th to 29th of September, both days inclusive.

By order of the Board,
E. R. WOOD,
President.

Provincial Paper Mills Co., Limited

NOTICE IS HEREBY GIVEN that dividends of one and three-quarters (1¾%) per cent. on Preferred Stock, and one (1%) per cent. on Common Stock of this Company, have been declared for the current quarter, both payable October 1st, 1917, to shareholders of record at the close of business, September 15th, 1917.

By Order of the Board,
S. F. DUNCAN,
Secretary-Treasurer.
DATED TORONTO, September 6th, 1917.

The Bank of Nova Scotia

DIVIDEND No. 191

NOTICE is hereby given that a dividend at the rate of fourteen per cent. per annum on the paid-up capital stock of this Bank has been declared for the quarter ending September 30th, and that the same will be payable on and after Monday, the 1st day of October, next, at any of the offices of the Bank.

The stock transfer book will be closed from the 17th to the 30th proximo, inclusive.

By order of the Board.
H. A. RICHARDSON,
General Manager.
Halifax, N.S., August 17th, 1917.

Laurentide Company Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend at the rate of 2½% on the capital stock of this company has been declared, for the quarter ending September 30th, 1917, payable on Tuesday, October 2nd, 1917, to shareholders of record at the close of business Friday, 21st of September, 1917.

By order of the Board.
W. F. ROBINSON,
Secretary.
Montreal, September 10th, 1917.

Montreal Tramways Company

INTEREST ON DEBENTURE STOCK

INTEREST for the half year at the rate of five (5) per centum per annum will be paid on the first day of October, to the registered holders of the Debenture Stock of the Montreal Tramways Company.

No transfer of the Debenture Stock of the Company will be registered during the fourteen days immediately preceding the first day of October, 1917, and the Transferees of all Debenture Stock of the said Company, which may be transferred on or after the 1st October, 1917, will be entitled to receive the interest accruing thereon from said date only.

PATRICK DUBEE,
Secretary-Treasurer.
September 8th, 1917.

The Steel Company of Canada, Limited

ORDINARY DIVIDEND No. 3.

NOTICE is hereby given that a dividend of one and one-half per cent. on the issued and fully paid Ordinary shares of the Company has been declared for the quarter ending September 30th, 1917.

PREFERRED DIVIDEND No. 25.

Notice is also given that a dividend of one and three-quarters per cent. on the issued and fully paid Preference shares of the Company has been declared for the quarter ending September 30th, 1917.

The above dividends are payable November 1st, 1917, to shareholders of record at close of business October 13th, 1917.

By order of the Board,
H. H. CHAMP,
Treasurer.
Hamilton, Ontario, September 17th, 1917.

The Porto Rico Railways Company, Limited

NOTICE IS HEREBY GIVEN THAT a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of this company, payable on the 1st day of October, 1917, to shareholders of record at the close of business on the 22nd day of September, 1917.

By order,
T. A. SPOOR,
Acting Secretary.

The Molsons Bank

148th DIVIDEND

THE Shareholders of The Molsons Bank are hereby notified that a Dividend of TWO AND THREE-QUARTERS PER CENT. (being at the rate of eleven per cent. per annum) upon the capital stock, has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT,

to shareholders of record on 15th SEPTEMBER, 1917.

THE ANNUAL GENERAL MEETING

of the Shareholders of the Bank will be held at its banking house, in this city, on MONDAY, the 5th NOVEMBER next, at three o'clock in the afternoon.

By order of the Board,
EDWARD C. PRATT,
General Manager.
Montreal, 21st August, 1917.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND.

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th SEPTEMBER, 1917, payable OCTOBER 15TH, to shareholders of record September 29th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 17th September, 1917.

The Riordon Pulp & Paper Company, Limited

PREFERRED STOCK DIVIDEND No. 21.

NOTICE is hereby given that a dividend of 1¾ per cent., being at the rate of 7 per cent. per annum, on the preferred stock of this Company, has been declared payable September 30th, 1917, to shareholders of record at the close of business September 22nd, 1917.

By order of the Board,
F. B. WHITTET,
Secretary-Treasurer.
Montreal, September 14th, 1917.

Abitibi Power & Paper Co., Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of one and three-quarters (1¾) per cent. has been declared on the preferred stock of ABITIBI POWER & PAPER CO., LIMITED, payable Tuesday the 2nd day of October, 1917, to shareholders of record at the close of business Thursday the 20th day of September, 1917.

By order of the Board.
WM. H. SMITH,
Treasurer.

The Canadian Crocker-Wheeler Co., Limited

DIVIDEND NOTICE

THE Directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent (1¾%) dividend on the Preferred Stock of the Company for the three months ending September 30th, 1917, to shareholders of record September 20th, 1917. Also a dividend of One and Three-quarters per cent. (1¾%) on the Common Stock of the Company for the three months ending September 30th, 1917, to shareholders of record September 20th, 1917.

The Stock Books will be closed from the 20th to the 30th of September both days inclusive.

Checks will be mailed to shareholders on September 29th, 1917.

By order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.
St. Catharines, September 15th, 1917.

The Ogilvie Flour Mills Co., Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of two and a half per cent., together with a bonus dividend of fifteen per cent., has been declared on the Common Stock of THE OGILVIE FLOUR MILLS CO., LIMITED, payable Monday, the first day of October, 1917, to Shareholders of record at the close of business Tuesday, the twenty-fifth day of September, 1917.

By order of the Board,
G. A. MORRIS,
Secretary.
Montreal, September 18, 1917.

Canada Cement Company, Limited

ORDINARY SHAREHOLDERS

DIVIDEND No. 6.

NOTICE IS HEREBY GIVEN that a dividend of 1½% for the three months ending September 30th, 1917, being at the rate of 6% per annum on the paid up Ordinary Stock of this Company, has been declared, and that the same will be paid on the 16th day of October next, to Ordinary Shareholders of record at the close of business September 30th, and that the transfer books of the Company will be closed from October 1st to 10th, inclusive.

H. L. DOBLE,
Secretary.
Montreal, September 18th, 1917.

ORE RESERVES ARE DOUBLED BY McINTYRE

Report For Fifteen Months Ended June 30 Contains Pleasing Information.

SURPLUS ALSO DOUBLED

Development Work Has Been Prosecuted With Most Satisfactory Results and Production Was Profitable.

The report of the McIntyre-Porcupine Mines, Limited, for the fifteen months ended June 30 last, which is published in full on page 4 of this issue, contains much information which will be gratifying to shareholders. Prominent among the statistics presented are the ore reserves. These had at June 30, an estimated value, on a most conservative basis, of $4,943,034, or more than double the estimated reserves on March 31, 1916. When it is considered that this increase has been made after the mining and treating of ore valued at $1,954,793, the excellence of the showing will be appreciated.

Owing to the fact that during the fifteen-month period, McIntyre-Porcupine absorbed McIntyre-Jupiter and McIntyre-Extension, incorporating their operations in one general organization, it is impossible to establish any standard of comparison. At the same time some interesting figures are presented to show how great the undertakings have become. McIntyre-Porcupine's own record of production since 1912 has run as follows:—

Year	Tons Milled	Value Per Ton	Gross Value
1912....	14,500	$7.00	$101,555
1913....	31,979	7.85	251,314
1915....	85,654	8.87	760,232
1916....	105,758	7.71	815,345
1917....	179,021	9.82	1,757,986

In addition the production of McIntyre-Jupiter and McIntyre-Extension are included this year, bringing the gross total for five years to 433,198 tons of an average value of $8.46 per ton.

Development Work.

It is deserving of special attention and is in fact emphasized in the report that none of the development work at present being prosecuted has been capitalized or deferred to future operations. Mining costs are carefully analyzed and shown to have amounted to $534,922 or practically $3.00 per ton. Milling costs amounted to $.887 per ton, which was 8 cents per ton less than in the preceding period. Total operating costs ran to $4.7833 per ton.

Earnings for the year amounted to $1,693,040. After deducting operating, administration, general and other expenses and adding a small non-operating revenue, there was a profit shown for the fifteen months of $840,554. From this was allotted the sum of $114,763.67 on account of depreciation, while the balance, $725,790 was added to the surplus, bringing that item up to $1,102,931. Two 5 per cent. dividends were paid, calling for a distribution of $361,828, leaving a surplus at June 30 of $741,903. That is to say double the dividend could have been paid without impairing the surplus shown at the beginning of the 15-mounth period.

High-Grade Ore.

Development on the property is reported to have been most satisfactory. The main vein in the deepest workings, viz. 1,000 feet, has been opened up for a distance of 1,150 feet and fully three-quarters of this length is in high-grade milling ore. This vein has been cut by diamond drilling at a depth of 1,387 feet, where it shows a width of 19 feet of ore, assaying $25.30 per ton.

Negotiations are pending for an extension of the option on Plenaurum to admit of an exploration of the property, delayed through the shortage of labor.

The directors of the Imperial Tobacco Company of Canada, have declared dividends on the ordinary shares of 1½ per cent. payable on the 27th inst., and on the preference shares of 3 per cent. payable on the 29th inst.

La Banque Nationale

ON and after Friday, the 2nd of November next, this Bank will pay to its shareholders a dividend of two and a quarter per cent., being at the rate of nine per cent. per annum, upon its paid-up capital, for the quarter ending on the 31st of October next.

This dividend will be paid according to the list of shareholders of record on the 16th of October next.

By order of the Board of Directors,
N. LAVOIE,
General Manager.
Quebec, 18th September, 1917.

EDITOR, THE FINANCIAL POST.

I am taking the liberty of telling you that I am very well satisfied with THE FINANCIAL POST which is, as far as I can see, one of the very best financial journals of America.

I regret very much not to have become a subscriber of the journal many years ago. I would recommend its reading to all big business men of Canada.

Wishing you the very best success, I remain,

Yours truly,
C. A. P.

Quebec, Aug. 30.

CANADA REPRESENTED.

Mortgage Interests Were Present at Minneapolis Convention.

At the meeting in Minneapolis last week of the Farm Mortgage Bankers' Association of America, Canadian investors in farm mortgages were represented by Hume Cronyn, managing director, Huron and Erie Loan & Savings Co., London, and E. M. Saunders, treasurer, Canada Life Assurance Co.; vice-presidents of the Dominion Mortgage and Investment Association; A. L. Crossin, of Oldfield, Kirby & Gardiner, Winnipeg, ex-president Manitoba Mortgage Loans Association; and John Appleton, secretary Dominion Mortgage & Investment Association.

DOMINION TRUST CASE FURTHER COMPLICATED

Whole Case of Liability of Shareholders of Old Company Will Have to be Re-argued.

(Special Correspondence.)

VANCOUVER.—Owing to a reported misunderstanding between Judge Murphy and the members of the legal profession conducting the case on behalf of the shareholders of the old Dominion Trust Company, the recent judgment whereby certain shareholders of the old company were relieved from liability in the present liquidation, was set aside and the whole case of the liability of these shareholders will be re-argued. A considerable number of individuals will, therefore, be again added as contributories on the ground that they did not exchange their shares in the original company for those of the Dominion Trust Company when that company received its Dominion charter.

The present action resulted from a move made by Mr. Tully Boyce, a shareholder residing in Nanaimo, who sought to have the old company wound up. It was pointed out that Mr. Boyce, having converted his shares in the old company to shares of the company in liquidation, had no legal right to make the application. This opened up the whole question again with the above result.

B.C. TRANSPORT CO.

LONDON.—An application for the appointment of a receiver and manager of the British Columbia Transport company, in the action Talbot v. the company has been granted in the Vacation Court by Justice Sargant. John William Woodthorpe has been appointed to assume the duties referred to. The application was made on a debenture holder's action and the company gave notice of intention to voluntarily liquidate. The company originally issued £42,000 debentures and subsequently prior lien debentures to the amount of £24,000. The debentures gave a specific charge over the freehold properties of the company in British Columbia as well as a floating charge on the property and assets of the concern.

BUSINESS STILL CLOUDED BY FINANCES.

Continued from page 1

ercise for their talents when the country had many things to think about besides the stock market. It happens, however, that standard bonds have been retreating as persistently as stocks.

Presumably the rising cost of capital is a factor of great influence in the security markets. War taxation plans and war costs bear their influence in altering the features of the investment situation. There are doubtless numerous other powers at work, some not yet discernible. Many active and thoughtful minds are seeking to detect them. Until they are fully grasped, it would seem a difficult task to decide with any degree of accuracy what prices are likely to do in the remainder of the year.

GOVERNMENT ORDERS A FACTOR.

Enormous requirements by the Government and a resumption of active buying by the Entente Powers are maintaining a high degree of speed in many of our industries, while the general buying power of our rapidly growing population, even though that buying is chiefly for immediate needs, is effective in keeping the whole industrial situation in a condition of profitable business, says the New York *Sun*. The buoyancy of a year ago, perhaps, is lacking because of the many uncertainties which our own participation in the war has developed, while the effect upon surplus earnings, of price fixing and war taxation is yet to be noted. Taken as a whole, however, the position of affairs in the business markets and in the money markets is remarkably sound and particularly encouraging at this time, when so many new burdens are in the making for the American people and for American industrial activities.

BRIGHT FUTURE FOR WIRELESS TELEGRAPH

Manager of Marconi Company Speaks of Developments Looked for After the War.

By J. H. LAUER,
General Manager Marconi Wireless Telegraph Company of Canada.

We are more than holding our own and the report of 1917 will indicate, we expect, the relative advance over 1916 that has been indicated ever since we passed the corner three years ago. Our business has, of course, been curtailed greatly by the restrictions that the naval authorities have laid upon all messages. This has affected very seriously our commercial business But we are going ahead surely. One of the latest developments has been the installation of the wireless by lumbering, mining and fishing companies on the Pacific Coast. At the present time there are 40 small coast stations from the head of navigation, Port Arthur, to Labrador, and eight wireless stations on the Pacific Coast that are operated by the naval department of the Government. Including the boats engaged in the seal fisheries that are compelled to install the wireless, and passenger vessels that go certain distances that are in a similar position, there are between 110 and 120 installations in Canada.

Canvassing Upper Lake Boats

This does not include the Upper Lakes freighters, and this is a line of business that we are going to go after vigorously the coming Fall. We feel that the wireless will find a large field in these, for the sake of the insurance, learning the condition of the markets, and the attainment of knowledge of docking privileges and other advantages that the wireless will ensure,—at a small cost compared, for instance, with the value of a cargo that runs up to 600,000 bushels.

Owing to the agreement we made with the Western Union in 1912 that they would handle the land end of our business and not link up with any other wireless company, and in return we would have the advantage of their 20,000 stations, we have not developed the land end of the wireless. Apart from any development that may take place in the future in competition with the telegraph companies, there will be opportunitres for us to cover outlying tracts that are not supplies with telegraph lines, for the lumbering companies, the mines and for the prevention of forest fires.

In Conection With Aviation

Then there will be, I am confident, enormous possibilities in connection with the development of aviation, as the only means of communication. In this direction no one can foresee what will develop.

Even for ordinary land communication the time will come, I believe, when the usefulness of wireless will be appreciated. The line between Le Pas and Port Nelson, the terminal of the Hudson's Bay Railway was built by us, some 500 miles, and this was taken over and is being operated by the Department of Railways to-day.

Improvements are constantly being made in the equipment, and we are getting nearer to a standardization. In our annual report, which was referred to in THE FINANCIAL POST last week, we have made provision for payments we expect from the naval authorities for the use of certain coastal stations, but on the other hand we have allowed for this in case we do not receive it by a reserve of $5,000.

CANADA'S CROPS WILL TOTAL OVER A BILLION DOLLARS.

Continued from page 1

formity with the American arrangement, which allows a profit of 25 cents per barrel on flour and 50 cents per ton on mill feeds. Bran and shorts are $32 and $37 per ton respectively, mill door, and there is a tremendous amount being shipped to the New England States. Judging from letters received, the public would like a little more light on the actual cost of making flour. In the meantime there has been no further change in the price of bread.

The Board of Grain Supervisors have made public the contents of their special report to the Department of Trade and Commerce, in which they advocate the adoption by Canada of grades similar to the new Federal grades of the United States, and also the control of flour prices.

"Livestock markets are very strong, especially in view of the heavy receipts. Choice steers sold to-day at $11 and selected hogs at $17."

Walkerville electors, by a vote of 231 to 116, passed a by-law giving the Sandwich, Windsor and Amherstburg Street Railway Company the right to build an extension on Ottawa Street from Walker Road to Lincoln Road.

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Paid-up Capital..£2,000,000
Reserve Fund....£1,960,000 Together £3,960,000
Reserve Liability of Proprietors.......£4,000,000
Total Capital and Reserve £7,960,000
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MONEY, BANKING AND EXCHANGE

For the Whole Dominion the Gain in Bank Clearings is 9.3 per cent.—In the West 16.3 per cent., and in the East 6.4 per cent.

Returns of bank clearings for the week ending Thursday last, reported officially to THE FINANCIAL POST, indicate a gain over the figures for the corresponding period in 1916 of $18,665,278, or 9.3 per cent., but as compared with the figures for the previous week are lower by $4,703,217. Western cities showed a gain of 16.3 per cent., and the cities in the East a gain of 6.4 per cent. In the West, New Westminster, Edmonton, Medicine Hat and Moose Jaw showed the largest percentage gains; while Victoria and Fort William showed a decline. Halifax, Brantford and Sherbrooke were the cities to show the largest percentage gains in the East, Ottawa and Quebec being the only two cities to show a decline. For the year to date the increase is $1,700,565,520, or 24.1 per cent. Comparative figures follow:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	Sept. 20, 1917.	Change.	%
Montreal	$ 73,389,109 +	$ 1,696,063	2.3
Toronto	55,104,461 +	8,310,291	17.7
Ottawa	5,212,514 —	2,899,982	35.7
Hamilton	4,993,669 +	533,100	11.9
Quebec	3,754,968 —	214,782	5.4
Halifax	3,261,952 +	812,692	33.1
London	2,150,247 +	349,981	19.4
St. John	1,811,296 +	221,161	13.9
Brantford	828,963 +	185,324	28.7
Peterboro	593,000 +	16,355	2.8
Sherbrooke ...	708,163 +	144,329	25.5
Kitchener	557,668 +	82,138	17.2
Total, East..	$152,366,010 +	$ 9,236,670	6.4

Western Cities.

	Sept. 20, 1917.	Change.	%
Winnipeg	$ 37,715,688 +	$ 3,606,068	10.5
Vancouver	9,956,959 +	2,286,433	29.8
Calgary	5,619,075 +	1,298,549	30.0
Edmonton	2,893,215 +	981,488	51.3
Victoria	1,615,922 —	601,475	27.1
Regina	3,351,518 +	732,300	27.9
Saskatoon	1,617,680 +	335,680	26.1
Moose Jaw ...	1,275,604 +	306,406	31.6
Ft. William ..	553,981 —	34,784	5.9
Brandon	664,313 +	138,633	2.6
Lethbridge	884,926 +	166,452	23.1
N. Westm'ster.	432,456 +	152,059	54.2
Medicine Hat..	527,306 +	161,469	44.1
Total, West..	$ 67,008,643 +	$ 9,429,278	16.3
Gr. total ...	$219,374,653 +	$ 18,665,948	9.3
Yr. to date.	$8,738,169,373 +	$1,700,565,500	24.1

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending September 13 aggregate $5,744,648,000, against $5,279,033,000 last week and $4,808,190,000 in this week last year, an increase of 19.5 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:

(000's omitted)

	Sept. 13	I. or D.	Sept. 8
New York...	$3,285,250	I 9.0	$3,214,006
Chicago	483,181	I 32.5	406,102
Philadelphia.	334,256	I 42.0	285,403
Boston	240,028	I 32.0	218,417
St. Louis ...	136,203	I 34.8	106,028
Kansas City.	151,980	I 45.7	122,780
San Fran....	89,598	I 22.8	84,684
Pittsburgh ..	70,783	I 13.1	57,770
Cleveland ...	80,766	I 48.0	64,398
Detroit	53,090	I 5.0	40,017
Baltimore ...	39,575	I 3.8	39,874
Cincinnati ..	40,954	I 18.8	39,183
Minneapolis .	41,345	I 38.2	28,923
New Orleans.	33,244	I 31.7	27,336
Los Angeles.	24,887	D 3.7	21,745
Omaha	34,833	I 30.0	29,035
Milwaukee ..	26,253	I 11.0	24,281
Atlanta	32,686	I 50.6	22,768
Louisville ...	17,888	I 7.8	15,352
Richmond ..	33,152	I 87.0	24,411
Buffalo	18,565	I 17.1	14,547
Seattle	25,147	I 40.0	21,682
St. Paul ...	16,261	I 21.9	12,138

MONEY.

The rate for call money in London advanced this week from 3¾ per cent. to 3⅞ per cent., while in New York the rate eased off from 5 per cent. to 4 per cent. Rates in the two money centres have accordingly come pretty close to a parity.

With the prospect of heavy Government financing in the near future in the United States, not to mention Canada's own efforts in this direction, it cannot be doubted that a period of high money rates is in sight. The action of the fiscal agents of the British Government in raising the discount rate on 90-day treasury bills, offered in the United States, from 5¼ per cent. to 5½ per cent. is evidence of this. Further, as if realizing the difficulties confronting the money market, a local banking committee has been formed in New York to supervise and control as far as possible the distribution of call loans. This committee has started its work and the comparative stability of rates all week may be regarded as reflecting its operations.

EXCHANGE.

It has been a quiet and featureless week in the field of international exchange. Demand sterling has been a trifle easier at 4.7545, as against 4.7550 a week ago. Francs have also eased off to 5.79¾, after firming up last Saturday to 5.79. Roubles have been slightly stronger, moving up from 16 to 17 during the week.

New York funds, which were quoted at 1/16 premium on Monday, have been easier at 1/32 premium during the rest of the week. There is very little trading to note. Buying is light and sellers are not at all eager to let go at present quotations. The grain movement should soon cause considerable selling, which will likely depress funds to par or under.

DOMINION.

Judge Winchester has issued his award in the arbitration proceedings to determine the amount of damage sustained by the Dominion Bank by the construction of the Yonge Street subway. The bank claimed $137,000, alleging that not only was the property at 1176-78 Yonge Street greatly depreciated in value by reason of its being placed several feet above the street level, but that it had resulted in a great loss of business which has gone to a rival concern. His Honor has awarded the bank $32,000 only, and costs, which is practically the amount offered by the city in settlement of the claim.

BANK OF VANCOUVER.

An order waiving any shareholders of the Bank of Vancouver from the protection of the War Relief Act in regard to their liability as contributors to the liquidation was made by Mr. Justice Murphy recently. The application which was made by Mr. Charles Wilson, K.C., for the liquidator, was not opposed.

The grounds of the application are that the War Relief Act would operate unfairly and inequitably to the large body of persons on the list of contributors if a few of their number were exempted from liability and would hinder the progress of the liquidation.

Had the application been opposed, it is said that an interesting legal problem might have ensued on the moot question as to whether the War Relief Act, which is a provincial Act, can apply to over-ride the provisions of the Dominion Winding-up Act. There are 564 persons on the list of contributors, of whom about a score might have claimed war relief protection.

BANK OF ENGLAND.

London, Sept. 20.—The weekly statement of the Bank of England shows the following changes:—

Total reserve, increased £357,000; circulation, increased £132,000; bullion, increased £488,958; other securities, increased £4,312,000; other deposits, increased £6,890,000; public deposits, decreased £1,825,000; notes reserve, increased, £365,000; Government securities, increased £378,000.

The proportion of the bank's reserve to liability this week is 19.23 per cent.; last week it was 19.61 per cent.

Rate of discount, 5 per cent.

ROYAL.

Edson L. Pease, vice-president and managing director of the Royal Bank of Canada, and president of the Canadian Bankers' Association, has return to Montreal after an extensive tour throughout Western Canada, visiting the various branches of the bank.

ENGLISH BANKS IN PARIS.

Cable advices received in New York report that Lloyds Bank and the National Provincial Bank of London have arranged a joint proprietorship of the Lloyds Bank (France) formed in 1911 as a separate company to represent Lloyds Bank in Paris. Under the new arrangement the concern operating in France will increase its capital from £600,000 to £1,200,000 and change its name to the Lloyds and National Provincial Bank (France), Limited.

MONTREAL.

Sir Frederick Williams-Taylor, who has been spending the last few weeks in New York and Southern States, is again at this office at the Bank of Montreal, in Montreal.

The Bank of Montreal will close its temporary branch at Petawawa Camp, Ont., on or about Sept. 27. Collections should be sent to the Ottawa branch.

UNION.

Miss M. E. Patterson, of the Calgary branch of the Union Bank of Canada, has been transferred to the branch at High River as teller.

COMMERCE.

J. M. Christie, manager of the Cranbrook, B.C., branch of the Canadian Bank of Commerce, has been appointed manager of the bank at St. John, N.B. C. W. Hallamore, manager of the St. John branch, will succeed Mr. Christie at Cranbrook.

MERCHANTS.

Percy McKelvey, of the Merchants Bank staff at Strome, has been transferred to the branch at Lethbridge. Stanley McMillan, also of the Strome branch, has been transferred to the branch at Forestburg.

G. E. Peach, teller at the Red Deer branch of the Merchants Bank, has been transferred to the branch at Moose Jaw. A. S. Campbell, of the Chauoin branch, will succeed Mr. Peach at Red Deer.

OTTAWA.

Miss Louise Wilson has entered the service of the Smith's Falls branch of the Bank of Ottawa.

Miss L. Fitzpatrick, who has been in the Maniwaki branch, has been transferred to the branch at Smith's Falls.

THE SILVER PROBLEM.

Suggestion That Supply in U. S. Treasury Be Released.

NEW YORK.—The sensational rise in the price of silver has brought forth the suggestion in more than one quarter that the present emergency be made the occasion for the release of a large part of the silver dollars now held by the United States Treasury against the outstanding silver certificates. Important as such a step would be for this country, it would not be extraordinary in view of the immense problem which silver is presenting to the world to-day. In other words, it is unreasonable to suppose that the immense hoard which is lying idle under such economically wasteful conditions, in the vaults of the United States Treasury, can remain unaffected by the world-wide demand for the white metal.

Due to the hoarding of gold in Europe by the governments and central banks of issue, the desire of the belligerent nations not to unduly inflate their currency system by paper issues, added to the great accumulation of the precious metal in the United States during the past few years, silver has been in constantly increasing demand to fill the void. On top of this is the restricted production of silver owing to the war conditions, in nearly every country except the United States. Not only Europe, but the Far East has been scrambling for silver. India is in a position to demand it this year because of the favorable crops there. China has oversold and is now seeking to replenish its supply. The Indian rupee has been made legal tender in Egypt; to say nothing of the increased use of the same due to the British campaign in Mesopotamia.

Under the circumstances silver has become one of the most pressing needs of the Allies to-day, giving place only to food and munitions. It is possible that this government cannot be indifferent to the needs of the Allies in this particular, when the United States is so amply provided.

While there are certain difficulties involved in touching the stored silver dollars in the United States Treasury, political no less than economic difficulties, the obstacles are not such as could not be overcome at the present time.

It has been figured that the average cost of silver in the dollar minted by the U. S. Government since 1878 is slightly over 76 cents for each dollar coined. As the value of pure silver in a silver dollar at one dollar an ounce is 77.3 cents, the price of fine silver has reached a point where the Government could come to the aid of its Allies without loss. To bring the silver dollar up to the gold parity it is figured that the price of silver would have to go to about $1.29.

In place of the silver certificates there might not be any difficulty in substituting gold or gold certificates, or even Federal Reserve notes, which are based upon a certain percentage of gold. As far as British resources are concerned, it would appear that the gold is more procurable than silver, and it is easy to conceive of the British Government shipping here, say, $200,000,000 gold for the purchase of so much worth of our silver hoard.

Federal Reserve notes, however, with their part gold security, would be the most economical substitution. There might be a hue and cry raised in the country regarding the displacement of silver dollars by Federal Reserve notes. But in the final analysis it is difficult to see the difference between two forms of paper money when both are accepted in confidence by the public. The change would signify a measure of inflation on the one hand in place of a crude economic waste in our currency system on the other. The results that would be gained by the release of, say, $200,000,000 worth of silver onto the world's market would be so beneficial to the Allied cause as to be well worth the consideration of such a radical step.

THREE YEARS OF WAR.

Over 38 Per Cent. Increase in Liabilities of Chartered Banks.

At the end of three years of war it is of interest to compare the present position of the chartered banks of Canada with that at the close of July, 1914. During that three years' period total liabilities increased from $1,323,000,000 to $1,827,000,000, or $504,000,000, an advance of over 38 per cent., says the September commercial letter of the Bank of Commerce.

The total deposits rose from $1,159,000,000 to $1,606,000,000, or $447,000,000, while on the asset side cash, notes and cheques of other banks increased $126,000,000, call loans and balances due by other banks $50,000,000, other loans $45,000,000, and investments (Canadian Government, Imperial Government, Municipal, etc.) $275,000,000. These very substantial increases reflect the industrial development that has taken place in Canada since the outbreak of war and the prosperity consequent on good crops and high prices, as well as the extent to which the banks are aiding in financing Canada's part in the war.

The Minister of Finance has intimated to the press that another loan will be issued in the course of a few weeks. It is commonly understood that the amount of the loan will be $150,000,000, but this and the terms are not yet settled. The expenditure on war account in July was $23,038,043, somewhat less than in the same month a year ago, but in excess of the June expenditure. It is becoming evident that a continuance of the large exports of Canadian products, munitions, wheat, bacon, cheese, etc., to England for account of the British Government is dependent on the ability of the Dominion Government to finance them. Great Britain is compelled at the present time, in order to protect her exchanges and prevent an undue outflow of gold, to make her purchases where she can do so without having to pay cash, and unless Canada can make advances to the full extent of these purchases the bulk of them will be made in the United States.

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THE STANDARD TRUSTS COMPANY

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Authorized Capital .... $ 1,000,000.00
Subscribed and Fully Paid 750,000.00
Reserve and Surplus 500,000.00
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By appointing this Company your Trustee and Executor or Financial Agent, you ensure expert and continuous service, and safeguard your Estate against mismanagement and loss.

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Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

THE EMPIRE LOAN COMPANY, Winnipeg, Man.

THE
TORONTO GENERAL TRUSTS
CORPORATION
DIVIDEND No. 85.

Notice is hereby given that a dividend of two and one-half per cent. (2½%) has been declared upon the paid-up Capital Stock of this Corporation for the quarter ending September 30th, 1917, being at the rate of ten per cent. (10%) per annum, and that the same will be payable on and after the first day of October, 1917.

The Transfer Books of this Corporation will be closed from Thursday, September 20th, to Saturday, September 29th, both days inclusive.

By order of the Board,

A. D. LANGMUIR,
General Manager.

Toronto, Sept. 11th, 1917.

OPEN ACCOUNT MORTGAGES FOR FARMER OF WEST

Solution of Loan Problem by Trust Company Officer.

CAPITAL AS REQUIRED

Idea of Compromise Between Mortgage Loans and Bank Loans to Have Open Account With Mortgage Security.

By JOSEPH CAMPBELL,
Commissioner Trust and Loan Company of Canada.

Editor THE FINANCIAL POST:

The discussions at the meetings of the joint committee of commerce and agriculture, composed of business men and members of the Council of Agriculture, seemed to disclose a loaning field amongst the better class of farmers which had not been reached by either the loan companies or the banks, it being claimed that the former were lending for too long and the latter for too short periods. Dissatisfaction was also expressed regarding various other matters which the companies could not remedy without discarding the form of mortgage that had been in general use for many years.

Practically the only remedy suggested was loaning on the amortization plan. This, however, would not do, as the companies have been desirous of making such loans, but the farmers would not accept them. While it is an excellent plan for people with a more or less fixed income, those engaged in an enterprise so hazardous as farming require something more elastic, because it is more difficult at times for a farmer to pay $80 than $800 in a more favorable season. We are all desirous of improving the relations between borrowers and lenders, and most anxious to remove every cause of friction. I therefore tried to work out a plan by which borrowed capital would be available for those farmers who were not being served by either class of financial institution and I also kept in view the several matters complained of.

Money When He Wants It.

An ideal plan might be one which would enable the borrower to have money when and as long as he wanted it, with the privilege of repaying any portion thereof and stopping interest, and of redrawing from time to time if required without delay and without any additional cost.

Under the old form of mortgage this could not be done for the reason that payments made on account void the mortgage to that extent and the money could not be re-advanced without taking a new mortgage. We have been able to overcome this difficulty, however, by merely granting a line of credit, allowing the borrower to help himself within the limit of that credit, interest to be charged either annually or half-yearly on the maximum monthly balance (borrowers drawing at the beginning and repaying at the end of the month would pay interest only for the time they had the money). The mortgage is not made for a specific sum, but is a continuing security for the balance at debit of the mortgagor's account not exceeding the amount of the credit granted, and it is provided that the balance may be increased as well as diminished from time to time. No specific date is mentioned for payment of the principal, which never become due until twelve months after demand is made by the company (unless the mortgagor makes default in the performance of the covenants), while the borrower has the privilege of paying the whole sum or any part thereof at any time without notice or bonus.

Long and Short Term Credit Combined.

The mortgage is also designed to meet the case of the borrower who requires, say, half of the credit as a more or less permanent loan and the balance on open account. In such cases the permanent portion could be paid at any time by giving 12 months' notice, the open account portion without notice and either, or both, sums could be re-advanced as often as required without expense of any sort.

In the event of the borrower giving a second mortgage or having a judgment registered against his lands, we could not make any further advances after receiving actual notice of such encumbrances, but the position of the parties under the new mortgage would then be practically the same as though the old form had been used.

It seems to me that this plan meets the requirements of the investment field in "No Man's Land" between the loan companies and the banks. **Now let us see to what extent the various items complained of may be remedied by adopting this plan:—**

1.—Rate of interest. The rate is of minor importance compared with the annual interest charge. For example, a man requiring money for, say, five months and no longer, would do better to borrow for that period at seven per cent. or eight per cent. than to borrow for a year at five per cent.

2.—Cost of loans. The original cost of either mortgage is the same, but under this plan the money may be advanced as many times as desired on the original mortgage without additional expense.

3.—Delay in making advances. Delay in making the original advance is sometimes unavoidable, but there need be no delay in making subsequent advances beyond the time required to write a check or draft.

4.—Cost of renewal. The necessity for renewal is eliminated altogether and consequently the trouble and expense.

5.—Arbitrary period of loan. The duration of the loan is a matter almost entirely in the hands of the borrower.

6.—Excessive bonuses charged for accepting prepayment. Bonuses are eliminated altogether on the open account, and the permanent portion may be paid off by giving notice in lieu of bonus.

7.—Difficulty in obtaining loans for an indefinite period to buy cattle and hold them until they could be marketed advantageously. This is covered by enabling the borrower to draw the amount required for any purpose and allowing him to repay from time to time as he may desire.

8.—That the practice of making interest and other bills payable about November 1 interfered with the holding of grain. Under the new plan the interest would be charged to the account as an advance and the balance of the credit could be used to pay other bills, thereby enabling the borrower to sell the grain at his convenience and he would be under no obligation to anybody for an extension of time.

9.—That the borrower is not given a copy of the mortgage. A copy of the mortgage will be provided, and if there is a considerable demand for loans on this plan, we propose to furnish a pass-book which will be posted as often as desired and a small book of drafts payable at par at any branch of the Union Bank of Canada.

You will not be concerned about the company's side of the contract, but I may say that I believe the objections from the investor's point of view are largely theoretical and that the law of average will take care of the apparent difficulties. A company operating over a large area would probably find that the unexpected demands from one set of borrowers would absorb the unexpected repayments from others, and as there is no expense incident to the transfer, and it makes no difference to the company who pays the interest so long as the money is earning, there is no need to charge a bonus; whereas, under the old plan, we cannot afford to accept prepayment without a bonus, as the cost of reinvesting the money usually amounts to a greater sum than the bonus charged—a waste and loss to both borrower and lender.

After arranging for funds to try out and before introducing this plan, I discussed it fully with several representatives of mortgage companies, who suggested that the Trust and Loan Company of Canada try the experiment, and if we found a considerable demand, other companies could adopt the plan. It is not our intention to discard the old mortgage, or to push the new, as we realize that most people are slow to change from those things to which they have been accustomed. We therefore offer both plans and let our borrowers choose the one that suits them better.

JOSEPH CAMPBELL.
Winnipeg, August 30.

U. S. RAIL EARNINGS.

Net Showings for June Are Improvement of 8.1 Per Cent.

The net operating income of the railways of the United States for June, 1917, was more than June, 1916, by $32 per mile, or 8.1 per cent.

Total operating revenues, $349,739,636, exceeded those of June 1916, by $49,720,256. Operating expenses, $235,590,773, were greater by $39,363,926. Net operating revenue, $114,148,863, increased $10,356,330. Taxes, $16,567,481, increased by $2,912,302. Net operating income was $97,516,514, which is an increase of $7,506,833.

If spread over the mileage represented, operating revenues averaged $1,514 per mile, an increase over June, 1916, of 16.3 per cent.; operating expenses per mile, $1,020, were greater by 19.8 per cent.; net operating revenue per mile, $494, shows an increase of 9.8 per cent.; while net operating income per mile, $422, increased 8.1 per cent. Taxes per mile rose 21.1 per cent.

This summary covers 231,035 miles of operated lines, or about 90 per cent. of the steam railway mileage of the United States.

They Shall Not Pass

The Immortal Cry of Canada at the Second Battle of Ypres.

The defence of Ypres following the first ghastly gas attack April 22, 1915, exalts all history. By it our men were transfigured and the undying, imperishable Soul of Canada revealed.

In the name of these Heroes of Ypres, Festubert, Givenchy, Vimy Ridge, Lens, The Somme, Verdun—aye and the Deathless "Old Contemptibles"—we beseech you, Women of Canada, to Dedicate Yourselves and Your Families to War Service by signing the Food Service Pledge.

The sacrifice is not great. We merely want you to substitute other foods for part of the white bread, beef and bacon your family now eat.

"What follows almost defies description. The effect of these poisonous gases was so virulent as to render the whole of the line held by the French Division practically incapable of any action at all.

The Stand of the Canadians

"The left flank of the Canadian Division was thus left dangerously exposed to serious attack in flank, and there appeared to be a prospect of their being overwhelmed and of a successful attempt by the Germans to cut off the British troops occupying the salient to the East.

"In spite of the danger to which they were exposed the Canadians held their ground with a magnificent display of tenacity and courage; and it is not too much to say the bearing and conduct of these splendid troops averted a disaster which might have been attended with the most serious consequences."

From
Sir John French's Seventh Despatch,
General Headquarters,
15th June, 1915

Thou Shalt Not Want

The Undying Pledge of Canada's Mothers to Her Sons.

When baking use one-third oatmeal, corn, barley or rye flour. Or, order some brown bread from your baker each day.

Substitute for beef and bacon such equally nutritious foods as fish, peas, lentils, potatoes, nuts, bananas, etc.

Third, and this is most important — positively prevent the waste of a single ounce of food in your home.

A Food Service Pledge and Window Card has been or will be delivered to you. The Pledge is your Dedication to War Service—The Window Card is your Emblem of Honour.

Sign the one and display the other.

Woman's Auxiliary, Organization of Resources Committee, in Co-operation with The Hon. W. J. Hanna, Food Controller.

Sign and Live up to Your Food Service Pledge

THE FINANCIAL POST OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - H. T. HUNTER
Manager - - - - - - - - - - R. G. DINGMAN

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publications, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

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Financial Reports, Prospectuses, etc., 15 cents per agate line.

SUBSCRIPTION PRICE:

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Great Britain, Ireland and Colonies having minimum postal rates............ 12s. 6d.
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Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

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Toronto, September 22, 1917.

SENATE CHECKING BECK.

OF course it would never do for the Senate on the eve of an election to deliberately acknowledge that it was doing anything to foil the plans of one who appears to wield such an influence with the voters as Sir Adam Beck, the public ownership advocate. And yet that is in effect what is transpiring at Ottawa.

Sir Adam and his associates desire that an amendment be made to the Railway Act which would give municipalities control of their thoroughfares and the right to strangle the Niagara Power Company. The amendment has passed the House of Commons. It has been before the Senate and it will die there a natural death as the term of Parliament expires.

The attitude of the Senate indicates that while it does not care to come out publicly and say so, at least a majority of the members have been convinced of the dangers of passing legislation which is in effect confiscation of the rights of investors who have put their money into an enterprise under the guarantees and protection of a charter of the Dominion government.

VALUE OF INSIDE INFORMATION.

WHEN on October 17, 1914, when British and Canadian statesmen were saying that the war would be over in two or three months, THE FINANCIAL POST, in urging that Canada be not content with sending 30,000 troops to England, but should at once have 100,000 in training and to make plans for a quarter of a million, said *"only a great misfortune to our fleet*, which the Germans are counting on, or some other unexpected event, will bring this war to a close within five or six years." That article received a good deal of condemnation.

The U. S. Naval Promotion Board the other day recommended that Capt. A. P. Niblack be promoted to the rank of Rear Admiral, because of his excellent work in giving the United States valuable confidential information about the German navy and timely warning about Germany's advanced plans, to use submarines against merchant ships. They guarded these plans with great secrecy; they intended that submarines should be their chief factor in the war.

PARLIAMENT AND BUSINESS.

THE committee of the Commons appointed to act with a like committee from the Senate to consider, during the present session, and report the total cost, including incidental expenses, of each session of parliament and the best way, if any, of reducing same has reported that it has been unable to make much progress and has recommended that a similar committee be appointed next session.

This appeals to us as another outstanding example of the business incompetency of the men handling the country's national affairs. Here was a committee given the straightforward proposition of inquiring into the cost of parliament and the possibilities of reducing that cost. They give the matter "the derrick."

In every direction efforts are being made to secure efficiency in administration where in these times of national stress expense can be reduced or labor conserved but at Ottawa a move in this direction has quite obviously been smothered in politics—and government jobs will continue as "government jobs" until after the coming election at least.

ORGANIZING FOR THE WAR LOAN.

A SPLENDID example of the value of co-operation will be afforded by Canadian bond houses, by the selling plan in connection with the forthcoming war loan, which has been submitted to the Finance Minister by the Bond Dealers' Association. Individuality will to a very large extent be submerged and each firm will work in its own allotted field in complete harmony with its erstwhile competitors.

Competition under ordinary conditions is a good thing. Bond houses are then engaged in selling different issues, possessing different values, and the reward of success attaches to the one which can display the best salesmanship. But when, as in the case of the first three loans, the whole bond selling fraternity were engaged in selling precisely the same article, the competition developed was not of the most desirable kind. Apart altogether from the uneconomic aspect of the business, there was a tendency to resort to trickiness and to subterfuge that was not in the best interests of the bond dealers as a class.

The wastage under the competitive system was deplorable. Not only were immense quantities of stationery and much good postage spent entirely uselessly, but the time of salesmen was squandered in visits and interviews with people and institutions which had already been canvassed many times. And, while the big buyers were being pursued, the smaller investors were neglected.

A plan, under which the country is divided into districts and each district is thoroughly organized under the direction of an expert bond salesman, commends itself in the present emergency. It avoids all the defects of the old competitive system and ensures a much more complete canvass of all possible investors. In agreeing on such a plan, which for the time being will submerge firms in a general organization, the bond dealers of the country have shown a spirit of friendly co-operation that is much to be commended.

FOR BUSINESS GOVERNMENT.

ANOTHER daily newspaper has joined THE FINANCIAL POST in its campaign for a business government. The Toronto *Telegram* in a recent issue, says:

> Canada's public life needs to be torn from its roots in the shallow soil of pretence and conventionality. The country is simply appalled at the spectacle of the premiership of Canada being handed over to Sir George Foster and then handed back again. Sir Robert Borden knows, or should know, that a loss of untold millions of dollars is represented by the difference between the service that Sir George E. Foster has rendered in the Department of Trade and Commerce and the service that Sir Thomas White and at least four other Cabinet Ministers have rendered in their departments. There is pathos in the industrious inadequacy of Sir George E. Foster in the presence of opportunities that should have made the Department of Trade and Commerce the greatest department in the service of the Canadian Government. There is even more pathos in the Ottawa assumption that the people are such fools that they cannot measure the depth of Sir George E. Foster's failure. The futility of Sir George E. Foster as Minister of Trade and Commerce will be swallowed up in the country's fear of a Laurier ascendancy. Canada expects that the leaders of this country's national life should prove themselves earnest-minded and large-minded in their adherence to the realities and in their avoidance of sham. The offer to transfer the premiership of Canada from Sir Robert Borden to Sir George E. Foster indicated that the minds which could be the source of such an offer must lack size or lack sincerity.

STOCKHOLDERS' CO-OPERATION.

THERE is an increasing tendency on the part of officers and directors of big corporations to show consideration for the shareholders. It might well increase even more rapidly. There has too long been and there is too generally still an idea on the part of the executive boards of big concerns that their duty to the interested investor consists of distributing a dividend—or not—and that the shareholder should not be unduly interested in the mere business details of how his money is being handled.

This idea must pass for the success of big business undertakings. The investor will place his funds in enterprises where his interest and his concern is recognized—recognized by an intelligent policy of publicity and co-operation.

Such great industrials as United States Steel have adopted a policy of publicity which has established confidence not only with the shareholders but with the general public. And now the railroads which for so long suffered from unfavorable legislation by their close-mouthed policy are beginning to get the benefit of candid public discussion regarding their position. As an example of the change of attitude no better illustration could be given than the invitation of Fairfax Harrison of the Southern railway to the stockholders to attend the annual meeting on October 9th:

> "THE co-operation of the stockholders is earnestly invited to continue the successful practice established three years ago of making the annual meeting not merely a conventional routine, but a forum for the expression of the views of individual stockholders upon the policies and problems of the company. You are earnestly invited to attend in person, or, if that shall be impossible, to have your own personal representative in attendance in your behalf, or to address to the undersigned in writing what you might say if present."

EDITORIAL NOTES.

CANADIAN crop estimates at present appearing in THE FINANCIAL POST, as prepared by F. M. Chapman, are being quoted by a number of British daily papers.

* * *

THE Resources Committee has accomplished much to be proud of. Putting men and machinery on the land will accomplish more to increase production, reduce prices and win the war than all the price tinkering.

* * *

THE London Statist cannot foresee any difficulty in the way of the Canadian Pacific maintaining its 10 per cent. dividend. This is a substantial expression of confidence in Canada's future from a conservative source.

* * *

"PRESENT luxury should take second place to future comfort"—says the advertisement of a Canadian savings bank. Our opinion is that the public may have to think of other things than their personal luxuries are comforts before the war is won.

* * *

LORD NORTHCLIFFE tells the United States that it is up to the business men of the world to win the war with the Central Powers. It has already been pretty well exemplified that the professional politicians and near statesmen have failed.

* * *

THE argument was advanced last week that a fixed price for wheat would not be a success unless it continued to represent the market or unless the Government assumed the speculative responsibility of maintaining it. Now we find Mr. Hoover explaining "that the maintenance of the fair price is not guaranteed over the whole of the 1917 harvest year; it is solely dependent upon the export demand." And so the fixed price is not a fixed price.

* * *

THE high cost of capital is something for the investor to take into consideration in these times in figuring security values.

THE BANKER WHO HANDLED THE U.S. LIBERTY LOAN

Benjamin Strong Owes His Remarkable Success to His Determination to Know All About His Business.

KNOWING well the business in which he is engaged is the secret of the success of Benjamin Strong, jr., the man who worked closest with McAdoo in the launching of the Liberty Loan at Washington. It is his creed to get down to the roots of everything connected with his business—banking. He has studied the theory of banking with a thoroughness that has perhaps never been excelled.

Know your business: It is a wonderful motto. Some men of acquisitive mind pick up bits of knowledge about everything under the sun; others specialize, turning their powers of acquisition in one set direction. The latter are the men who win their way up to places of national trust and sit at the head of board tables.

But to get back to Benjamin Strong. He is in this one respect at least a remarkable man. His acquisitiveness has been turned to the one subject and now he knows banking from every angle and phase.

The Annalist tells about him as follows:

> Theoretically, the Secretary of the Treasury sells Government bonds; actually they are not sold by any Government agency, but by bankers. When the $2,000,000,000 of 3½ per cent. Liberty bonds was brought out it was realized for the first time in Washington that the old system of making an announcement and then waiting for the inevitable oversubscription had gone into the discard, along with many other ancient practices.
>
> The old system had sufficed for issues of $200,000,000; it might have taken care of an offering of half a billion or more, but it could not be intrusted with the job of selling two billions. Mr. McAdoo made a flying trip to New York and in a brief speech before a gathering of the principal financiers in New York gracefully laid his problem before them. Mr. McAdoo appreciated the size of the job, and did all in his power, both in Washington and in a speaking tour, to aid in the distribution.
>
> The point of contact between the Treasury Department and the bankers was Benjamin Strong, Jr. It was advisable to identify the committee as closely as possible with the Government, and the Federal Reserve Bank, as a quasi-public institution, furnished the necessary connection. As Governor of the bank, Mr. Strong was the logical choice for Chairman of the Liberty Loan Committee, and all of the dozens of other Chairmen came under his direction. Starting at the top and building downward, the bankers soon had in active operation an organization which sold New York's share of the bonds nearly twice over. The task was not an easy one; some of the bankers who accepted places on the committee with Governor Strong worked harder in the interest of the Government loan than they had ever worked for their own institutions.
>
> Governor Strong made a good Chairman. Bankers in New York have fallen into the habit of looking to him for leadership. He is the type of executive who can accomplish much more directing other bankers than he could in working with people with whom the bankers have to deal. In other words, he is a sort of "banker's banker," who can talk in terms understood by his associates, but who has difficulty in making himself clear to laymen. Long before he was elected to his present position he occupied this rather peculiar position in the Eastern banking field. It was no unusual thing for another bank President, asked to explain some new twist in banking practice, to say:
>
> "I don't fully understand these things; I only know that we do them." And then, hopefully, "Why don't you run over to see Ben Strong? He knows the theory of banking."
>
> It is a fact that comparatively few bank executives have ever made a study of their own business. They know of what good banking practice consists, and they are sufficiently resourceful to work their way out of new difficulties when they arise, but they have never had the inclination to find out how the methods in vogue to-day were evolved. Not so with Governor Strong. His idea of a perfect evening is freedom from interruption for several hours while he reads some ancient authority on a technical point in banking. This practice, indulged in years before he dreamed of the Federal Reserve system, stood him in good stead when he was chosen to head the most important of the twelve Reserve institutions and found that the law left all of the details of organization to be worked out by the officers. There are many bank Presidents who are worth more to their stockholders than he would be, because they are business getters, but hardly more than one in the East as well posted on banking fundamentals.
>
> Governor Strong loves to take up a new problem and work out a solution. He is not satisfied with short cuts or makeshifts. He knows that nothing enduring is hit upon by chance, and he tries to follow the logical line of development in laying down rules for each new departure in the Reserve system.
>
> It was the challenge offered by a multitude of new problems to be worked out that attracted him from a more lucrative position as head of the Bankers' Trust Company to accept the Governorship of the Federal Reserve Bank of New York. As a trust company president he received a salary of $45,000 per annum, and he went to his new post for a salary understood to be $15,000 less. Tall and spare, he is not strong enough for the work that he would like to do, and after completing the organization of the new bank he found it necessary to spend a year in Colorado in recuperation. He was reconciled to the physician's sentence by the thought that at last he was going to have unlimited opportunities to gorge himself with financial literature.
>
> As President of the Bankers' Trust Company Mr. Strong was actively associated with a number of important corporations, from all of which he withdrew to take up his new work. He is in his forty-fifth year and has been actively engaged in banking since he was 19. He was born at Fishkill-on-the-Hudson in 1872 and started as a clerk for Jesup, Paton & Co. under the late Morris K. Jesup. This firm subsequently became John Paton & Co. and afterwards Cuyler, Morgan & Co. In 1901 he became Secretary of the Atlantic Trust Company, continuing in the same capacity when that institution was merged two years later with the Metropolitan Trust Company. He was made Secretary of the Bankers' Trust Company in 1904, one year after organization; became Vice President in 1910 and President in 1914. He had held the latter position but nine months when he was chosen Governor of the Federal Reserve Bank.
>
> In his present position Governor Strong has found occasion for the frequent display of tact in reconciling bankers to the usages and requirements of membership in a system that was forced upon national banks. At the outset State banks and trust companies were jubilant over their independence of the new system, and Governor Strong has labored indefatigably to bring them to the point where they will see the advisability of casting their lot with the national banks. In this he has only partly succeeded, but the tendency is toward concessions on both sides which will eventually result in bringing all of the State institutions into the system.
>
> It is complained by newspaper men that Governor Strong holds an entirely wrong attitude on the subject of the public's right to information about the bank. He is inclined to resent publication of any news touching upon the bank's functions that is not given out as an official statement, and he has made it practically impossible for any of the other officers or employees to discuss banking developments with the press. He holds views toward the right of newspapers to discuss Federal Reserve matters that would be better understood in London. At the same time he occasionally unbends in his talks with reporters and succeeds in establishing a friendly understanding. As Chairman of the committee which must soon begin a new campaign to sell $3,000,000,000 more of Government bonds he will have more opportunities of this nature.

PERSONAL

FRED C. CLARKE has resigned as secretary of the Porto Rico Railway Company, Limited, having been appointed Assistant General Manager of the Company with offices at San Juan, Porto Rico. Mr. Clarke succeeds C. S. Jenner who has resigned.

W. W. HUTCHISON, vice-president of the Lake of the Woods Milling Co., was among recent visitors on the Winnipeg grain exchange. He was warmly greeted by old-time friends and former business associates. He left for Keewatin, in company with W. A. Matheson, western manager, to inspect the company's big mills at that place. From there he will proceed to Montreal.

W. H. BIGGAR, K.C., has been appointed vice-president and general counsel in charge of all legal matters pertaining to the Grand Trunk Railway system. In addition to his office in the Grand Trunk company he is also vice-president and director of the Grand Trunk Pacific Railway and other associated companies. He is well known in legal and general business circles throughout the Dominion and has had a broad public experience as indicated by the fact that he was mayor of Belleville in 1888 and 1889 and was elected to the Ontario legislature in 1890.

AEMILIUS JARVIS who has won the Special Service decoration of the Navy League, in recognition of his patriotic services since the outbreak of the war, has for many months been devoting his organizing ability to the recruiting campaign for men for all branches of the British Navy. He is president of the Canadian Locomotive Company and a director of a number of other important Canadian industrial enterprises but in the great war crisis his business interests have been made secondary to his work for the Navy. Sir John Eaton is the only other Canadian upon whom the Special Service decoration has been conferred.

LORD READING, of Erleigh, who is now in the United States on a special and to the public more or less mysterious financial mission for Great Britain was created a Viscount only last year and is more familiarly known to the British public as the Rt. Hon. Rufus Daniel Isaacs. He has been Lord Chief Justice of England since 1913 and a member of the Cabinet since 1912 and has played a very important part in Empire financial administrations. His career in the law was one of startling brilliancy leading to his appointment as Solicitor-General in 1910 and to the high office of Lord Chief Justice three years later.

A. BARTON HEPBURN, Chairman of the Chase National Bank, has a way of getting on. It is a habit he acquired a great many years ago, when he subscribed to the doctrine that "genius is 95 per cent. perspiration and 5 per cent. inspiration." The Directors of his bank have been a little disturbed because they could not add further honors to a man who already occupied the highest position in the bank, so they met last week and decided to create a new job for him. It was voted to make up an advisory board, the first of its kind in American banking, to consist of the senior officers of the bank, with Mr. Hepburn as Chairman. On the first of next January he will relinquish his duties as Chairman of the board to A. H. Wiggin, new President, and move into his new office. In the ordinary course of events the retiring Chairman would be expected to give up his active bank connection to bury himself at his country home and club, but the Chase hopes it will not have to dispense with Mr. Hepburn's good counsel for some years yet. He is only 71 years of age, plus a couple of months, and has not reached the stage of life where he can acquiesce in a plan to relieve him of responsibility.

J. T. WILSON, Halifax manager of the Canada Life, is now known among his friends as "President Wilson" because he has been elected president of the Life Underwriters' Association of Canada. Mr. Wilson is one of the most popular of Halifax citizens, holding an honored place not only in business but in church life. He was given a good reception at a recent meeting of the Commercial Club of Halifax. Mr. Wilson, in responding to greetings, said that 30 or 40 local associations are affiliated with the Underwriters' association of which he is president and that the membership is about 1,300. The Life Insurance companies of Canada do $231,000,000 of new business annually and the money paid to policy holders each year is $61,000,000. Their total assets are equal to half the net debt of Canada, he said. Thirty per cent. of this is invested in real estate, 12 per cent. in municipal bonds; 25 per cent. in railway debentures and such securities, so that a good deal more than half is thus used in the development of the country from Atlantic to Pacific.

LOFTUS CUDDY, millionaire coal and oil operator who died in New Hampshire recently, made his start in his very successful financial and commercial life in Western Ontario. A farmer boy, he became a multi-millionaire in two-score years. Brought up in Adelaide Township, he first entered business in the office of Alexander Johnston a private banker at Strathroy. In 1878 he opened a private bank in Amherstburg which was taken over by Falls Bros. in 1893 when the Ontario Bank opened in Amherstburg. Following the disposal of the banking business Mr. Cuddy devoted himself to the fuel business, having formed the Cuddy-Mullen Company in Cleveland. In 1895 he and his family moved permanently to that city. When the Ontario Bank withdrew from Amherstburg Mr. Cuddy became a partner in the Falls' private bank until it was taken over later by the Molsons Bank. The Cleveland coal concern was continued until absorbed by the Pittsburg Coal Company. Mr. Cuddy then turned his attention to oil and his operations were attended by marked success, being largely the means by which his fortune was developed until at his death it was estimated at $7,000,000. He was president of the Vulcan Oil Company and a director and shareholder of a number of banks and financial institutions. Despite his successful career in the United States Mr. Cuddy always retained his Canadian citizenship.

WILLIAM HOWARD HUNTER, B.A., the new executive head of the Independent Order of Foresters, has acted as legal adviser to the society for over twenty years. He was born at Beamsville, Ont., and he is the second son of the late J. Howard Hunter, K.C., who was Registrar of Friendly Societies for Ontario for a number of years. The Registrar was always a strong advocate of adequate rates and sound methods for fraternal societies. It was on his recommendation that the so-called "Hunter" rates were made the statutory minimum rates for new societies licensed in Ontario. The new executive head of the Independent Order of Foresters has always been correctly informed upon questions relating to needs of fraternal societies. After being called to the Bar at Osgoode Hall, he specialized in insurance law and brought out a treatise on "The Insurance Corporations Act." His elder brother is Chief Justice Gordon Hunter of British Columbia. His other brother and partner, Major A. T. Hunter, has been in France with the Canadian Expeditionary Force for three years and was wounded in the battle of St. Julien in 1915. His oldest son, Lieutenant Howard Hunter, is also overseas and went recently to France from the training camp in England. The new Supreme Chief Ranger has been a member of the Supreme Court of the Order since 1898. He became Chairman of the Constitution and Laws Committee in 1902 and Supreme Counsellor in 1907. He is in the prime of life and a man of mature judgment, and the Order is fortunate in securing the services of one so eminently fitted for the position.

VALUE OF BUSINESS NEWSPAPERS.

Edwin N. Hurley, the financier and successful manufacturer, who retired from the chairmanship of the United States Federal Trade Commission to give attention to his own big manufacturing interests in the U.S. and Canada, but has just been persuaded to return to the public service, as chairman of the Shipping Board, says in his book, "The Awakening of Business":—

> "Business men do not realize the value which trade newspapers and technical magazines may be to them in increasing the efficiency of their factory and giving them a broad comprehensive view of their business.
>
> "Our trade journals and technical papers should be encouraged and supported by our business men.
>
> "Copies should be placed where employes can see them, and they should be urged to read and study them.
>
> "These papers are preaching the gospel of sound business on practical lines, and are helpful, not only to business, but to the country as a whole."

IS IT A SAFE GUIDE.

Toronto News.

The Toronto *Star* tells us that the manufacturing industries of Germany have been destroyed by the war, and that therefore the Entente Allies need not protect themselves against Teuton competition after the war. Right up to July 31st, 1914, the same paper insisted that Germany was not preparing for war, and that there was no reason to fear an imaginary German menace. Is the *Star* to-day any greater authority on Germany and Germany's plans than it was three years ago? The community would like to have some proofs before it accepts the word of a guide which proved so false in former days.

PRICE FIXING FAILS IN PURPOSE IN U.S.

Consumer and Producer Both Looked for Direct Benefits and Both Are Now Disgruntled.

Written for THE FINANCIAL POST by Agnes C. Laut.

WASHINGTON.—Price fixing has, up to the present in this country, been a doleful joke. The consumer expected to obtain cheaper coal, cheaper food, cheaper clothing, cheaper housing. The producer expected to receive higher prices for coal, food, clothing, lumber. Both have been disappointed and are accordingly disgruntled.

The price of wheat was fixed at $2.20, at which level, it was expected flour could be dropped to $13 a barrel and bread to 5 cents a loaf. Wheat was selling around $2 when the price was fixed; but the difference between $2 and $2.20 is not great enough to incite the farmer to a big gamble on huge production for 1918, when the price is fixed only to July 1918; and it is almost a moral certainty that the war will be over by that time. Under huge production, the cost of flour would have dropped to $4.50 and $6 a barrel, which is the normal level when we have crops of from 700,000,000 bushels to a billion bushels; so what the price fixing of wheat has done is to rivet flour at $11 to $13 for a year, when otherwise it might have dropped to old levels.

Coal and Copper.

Likewise of coal! When the prices at the mine mouth were fixed at around $3, city consumers thought to get their winter's supply at $5 to $6 and delayed putting in their year's orders, with such results as are seen in the stoppage of the New York Subway from a sudden shortage of fuel; for when you add to $3, freight $1, and profits 20%, and terminal handling, and wholesalers' profits and retailers' profits, you have coal for average consumers this winter—consumers who delayed ordering to benefit from the lower prices—at $8 to $8.50, when it was $7 to $7.50 in summer and last year.

Copper was to be fixed at 16 cents. At such price, copper was not forthcoming; 18 cents was then broached, then 22, and at present 25 cents is the fixed level in prospect. Now 25 cents is exactly what copper was commanding in the open market, when price fixing interfered; so that all price fixing did here was to stall production for three months, when the need was desperate; for the miners could not go ahead till it became certain what returns they were to have.

And Live Stock, Too.

A similar muddle is now occurring in meats, though the Government seems adverse to going ahead here for fear of stalling the market as in the case of copper. The Big plan now, with a capital B for Big—which reads well in the headlines, but is a pathetic joke in reality—is for the Government to increase meat producing animals by bringing stock from the West to the East. Now the West may well grin; for surplus stock does not exist in the West, nor for that matter in any section of the whole world today; and it will take ten years of high prices to stimulate such production of stock as to replenish the depleted supplies of the world. You can't, unfortunately, by the stroke of a doctrinaire's pen multiply beeves and sheep. It takes time and care and good feeding. As for the East taking care of any more stock than it has, the East to-day cannot feed the amount of stock that it has. Feeds—brans, cotton seed meal, molasses feeds, brewers' grains, distillers' grains, Canada beet pulp—are brought into the East monthly by the millions of tons; and owing to the scarcity of raw material this year, dealers are hundreds of thousands of cars short of their orders, and prices are beyond limit. Is the price of meat to be fixed, while the price of feeds is allowed to soar 300 and 400%?

The price of corn has, indeed, slumped since the passage of the Food Bill; but the price of corn has not been fixed; and the price has slumped because there is an enormous crop of corn—which is the pith and crux and sum total of the whole matter. When the price of corn was so high that it went almost to wheat levels early this summer, the stimulus was so great that the farmer planted an enormous acreage of corn; and now that an enormous corn crop comes on, that enormous crop knocks the bottom out of high prices, which price fixing never does and never has done in the history of the world.

Production the Cure.

There is only one cure for high prices, and that is—abundance; and there is only one stimulus to abundance and that is—high prices; and no human law has ever modified that see-saw of natural law since time began; though it has been attempted century after century since the days of the Roman Emperors. They at one time executed bakers who charged high prices in Rome; but when the bakers had to pay high prices for grain and were allowed only low prices for bread, they stopped baking.

You can fix prices by a pen point in the hands of a professorial president; but you can't make two blades of grass grow where one grew before without paying for it in labor and coin. Good prices are the best fertilizer ever applied to any farm.

The pity of the situation is that price fixing is a marsh light leading Hoover off the true trail. What was needed was not price fixing of food. It was distribution of food from producer to consumer. That was Hoover's real job. If he were able to put it over, he would be the next president of the United States; but he has missed it following the delusions of price-fixing, which at best can never be more than a compromise that satisfies neither side and accomplishes less than nothing — as to wit — wheat, bread, coal, copper to date.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

ALBERTA BONDS.

J. W. (Kitchener):—"I would like your opinion on Province of Alberta, 5%, five-year, gold bonds at 94.70 to yield 6¼%."

We have no hesitation in recommending these bonds as a safe and attractive short-term investment. While it is true that the western provinces have been heavy borrowers and are carrying comparatively large public debts, yet their resources are so great and prospects so good, that the security behind the various issues is sound. The acquisition by the Dominion Government of the Canadian Northern Railway System will virtually relieve the province of Alberta of a considerable liability in the guaranteed bonds of the railway company and improve the province's financial position to that extent. In the event of your being unable to secure these Albertas at the price mentioned, the issue having been reported as completely sold in two days, we would direct your attention to the more recent offerings of Province of Saskatchewan fifteen-year fives to yield 6% or Province of Ontario 8½-year fours to yield 5.90%. Both of these make attractive investments.

UNITED STATES TRADE.

Bank Manager, Quebec.—"Would you kindly advise as to the length of time during which the United States has been a creditor nation and to what extent during the last ten years?"

Figures of foreign commerce from 1873 to 1916, supplied by the Bureau of Foreign and Domestic Commerce at Washington, show that from 1894 to 1916, the United States has uniformly enjoyed a favorable trade balance. Prior to 1894, there was an adverse balance in five fiscal years, viz.: 1873, 1875, 1888, 1889 and 1893, ranging from $2,730,277 in 1889, to $119,356,288 in 1873. The excess of exports over imports in the past ten years was as follows:

	Imports	Exports	Excess
1907..	$1,434,421,425	$1,880,851,078	$446,429,653
1908..	1,194,341,792	1,860,773,346	666,431,554
1909..	1,311,920,224	1,663,011,104	351,090,880
1910..	1,556,947,430	1,744,984,720	188,037,290
1911..	1,527,226,105	2,049,320,199	522,094,094
1912..	1,653,264,934	2,204,322,409	551,057,475
1913..	1,813,008,234	2,465,884,149	652,875,915
1914..	1,893,925,657	2,364,579,148	470,653,491
1915..	1,674,169,740	2,768,589,340	1,094,419,600
1916..	2,197,883,510	4,333,482,885	2,135,597,375

WESTINGHOUSE ELECTRIC.

T.C.M., Quebec. — Kindly let me have your opinion regarding Westinghouse Electric.

As we do not make a practice of specializing in American stocks we submitted your inquiry to the Wall Street Journal and have received the following information from the Inquiry Department of that publication:—

The current fiscal year of Westinghouse Electric which will end March 31, next bids fair to be the largest one in point of gross business that the company will have experienced. At the beginning of the current fiscal year unfilled orders were of record volume. It is a far cry to March 31 next, but from indications up to date it is likely that Westinghouse common will earn between 18 to 20 million dollars for the stockholders, which would cover current dividend requirements with a safe margin to spare. The company is well managed and should participate to an extensive degree in the government ship program which will call for a large amount of electrical equipment of all kinds which Westinghouse is in an admirable position to provide. Marketwise Westinghouse stock has been unsatisfactory for many months due probably to the lack of distribution of the 15 million dollars additional stock sold early this year. The current 7% dividend rate seems well assured.

MORTALITY RATE.

H.W.K., Fort Wayne, Ind. — "Kindly advise me what has been the mortality rate per thousand of enlistments in the Canadian overseas forces."

Total enlistments in the Canadian overseas forces up to June 30, 1917, were 424,456. At the same date the number of men killed in action, died of wounds, died of sickness and presumed dead was 27,549. The mortality rate per thousand at that date was, therefore, approximately 65. As enlistments have been falling off steadily, whereas the mortality continues unabated, the rate is obviously rising rapidly. There are so many factors entering into the discussion that it will be impossible to determine any definite mortality rate until the war is over.

A WIDOW'S INVESTMENT.

T. A. M., Philipsburg.—As my mother, who has just lost her husband, has a few thousand dollars to invest, I am desirous of investing in a stock that is as sound as possible and at the same time which will pay the best possible dividend rate. Have been considering Locomotive preferred and common and Canners preferred.

For the investment of the funds of a widow, especially when they may not be very extensive, safety should be the first consideration. Under the circumstances we would certainly recommend government or municipal bonds, or the best industrial bonds in preference to preferred stocks, even though the return may be lower. Of the preferred stocks you mention, Locomotive is the more attractive proposition from the standpoint of security, as can be readily figured from the difference in the prevailing prices. Locomotive we believe has a prosperous period ahead, but there have been ups and downs in the manufacture of transportation equipment in the past, and there is no assurance that they will not recur in the future.

There have been recently some exceptionally attractive offering of government and municipal bonds, at prices never before equalled, which might very well be considered. Province of Alberta five-year fives are offered to yield 6⅛%; Province of Saskatchewan fifteen year fives to yield 6%, and Province of Ontario 4% gold bonds, running 8½ years, to yield 5.90%. Then there will shortly be a new war loan, the yield on which will be at least 5½%. All these combine security with high yield.

NAME WANTED.

A communication has been addressed to the editor of THE FINANCIAL POST by a reader at Ottawa who signs himself "A Faithful Customer." Information is asked about a certain oil company whose stock is now being offered to Canadian investors. The writer's name is not given and our policy in dealing with inquiries is not to encourage anonymous correspondence. If the writer of this communication will send us his name, we will be pleased to make some investigation The name will not be published.

The Works Committee of the Toronto City Council has recommended the repeal of the by-law for the extension of Wilton avenue at a cost of $622,000.

GOVERNMENT SHOULD BE KEPT OUT OF BUSINESS

Retiring President of the American Bar Association Decries Tendency to Individual Regulation.

Government for civil administration and not as a business organization, is the premises upon which an attack upon the extension of governmental activity into business fields was delivered by former United States Senator George Sutherland of Utah, retiring president of the American Bar Association, in his annual address at the Saratoga Convention. The business field, he declared, belonged to the individual citizen, and he attacked further, as leading to "petty autocracy," the constant extension of the regulation of business by commissioners of overlapping authority, and too final power to "mix things up."

In emphatic language the former Senator declared that the business activities of the country are being investigated, supervised, directed and controlled in such a multitude of ways that the banker, the merchant and the men of industry generally are afloat upon a sea of uncertainty, where, if they succeed in avoiding the mines of dubious statutes by which they are surrounded, they are in danger of being blown up by administrative torpedoes, launched from one of the numerous submarine commissions by which the business waters are everywhere infested. Further, he called attention to the menace caused by the government invading the market-place itself, not as a regulator, but as a participant and competitor, and expressed the opinion that the point was being more nearly approached where the old philosophy that whatever can be done by the individual should not be done by the government, even though it be well done, is to be abandoned for the new and dangerous doctrine that whatever can be done by the government, even though it be badly done, should not be permitted to be done by the individual. And further:

"Steps have quite recently been taken for putting the National Government into the business of manufacturing armor plate and nitrates for use in making gunpowder which may, of course, be justified as measures for the public defense, but alternative provision is made for utilizing the nitrate plants to produce fertilizer for the farmer, when their product is not needed for powder —which, except in time of war, will be almost all the time. The Government is building a railroad in Alaska. Some of us opposed that as being a step in the direction of Governmental ownership, but some excuse may be found for the action in the theory that the territory is really Governmental property, and that the same warrant exists for improving it as existed in the case of the arid lands whose reclamation was provided for by an act of Congress.

The action of Congress on the Ship Purchase Bill was made the target for an attack by Mr. Sutherland. The proposal was for the purpose of putting the government into the ocean-carrying trade as a common carrier for hire. Similarly, there was a demand on the part of the Postmaster-General, that the Federal Government should take over and operate the telegraph and telephone lines, while there was a growing demand for the government ownership and operation of the railways. Such a course would be regarded by Mr. Sutherland as nothing short of misfortune.

"I cannot imagine any greater misfortune to the people than for the general Government to acquire and operate the telegraph, telephone, and railroad lines of the country. The duties imposed upon that Government have already grown to vast proportions. To add the burden of operating all the railroads and telegraph and telephone lines would be to invite disaster. Persons now in the service of the Government already number over a million. If to this number we add all the employes in the service of the great private corporations now operating these instrumentalities, the three millions or more, if organized—as they undoubtedly would be organized—would practically dictate the policy of the Government. If to the annual rivers and harbors 'pork barrel' and the biennial public buildings 'pork barrel' we should add an annual railroad 'pork barrel' bill, the public expenditures would increase to such a sum that the three billion dollar Congress would be looked back to as an example of political self-restraint and economy.

Business "Beset and Bedeviled."

Taking up the subject of over-regulation of business, Senator Sutherland said there never had been a time when the business of the country was on a higher plane nor when the business activities of the people were so beset and bedeviled with "vexatious statutes, prying commissions, and Governmental intermeddling of all sorts."

Speaking of "a mania" for regulating the individual, he said:

"I do not, for example, question the moral right of the majority to forbid traffic in intoxicating liquor, nor its wisdom in doing so. No doubt the world would be better off if the trade were entirely abolished, but some of the States have recently gone to lengths hitherto undreamed of in penalizing the mere possession of intoxicating liquor and—since no one can use liquor without having possession of it—thereby penalizing its personal use, no matter how moderate such use may be. To put the consumer of a glass of beer in the penitentiary along with the burglar and the highwayman is to sacrifice all the wholesome distinctions which for centuries have separated debatable habit from indisputable crime. It does not require a prophet to foresee that laws of this character, exacting penalties so utterly disproportionate to the offense, can never be generally enforced, and to write them into the statutes to be cunningly evaded or contemptuously ignored will have a strong tendency to bring just and wholesome laws dealing with the liquor question into disrepute.

"It is now as it always has been, that when the visionary or the demagogue advocates a new law or policy or scheme of government which tends to curtail the liberty of the individual, he loudly insists that he is acting for the general interest and thereby surrounds his propaganda with such a halo of sanctity that opposition or even candid criticism is looked upon as sacrilege. But the time has come when every true lover of his country must refuse to be misled or overawed by specious claims of this character. Individual liberty and the common good are not incompatible, but entirely consistent with one another. Both are desirable and both may be had, but we must demand the substance of both and not accept the counterfeit of either."

CURRENT OPINION

DRYING UP CAPITAL.

By Henry Clews, New York.

Whenever capital is struck, it promptly seeks kindlier environments; enterprise vanishes and employment slackens. When profits are attacked, savings decline, there is less money to spend, and the supply of capital is dried up at its primary source. That ignorance of the simplest economic laws still rules where reason should prevail is obvious, and lawmakers go blundering alone in their confusing career, the public meanwhile suffering from the folly of such experiments.

RESPONSIBILITY OF DIRECTORS.

Wall Street Journal.

It did not need the Controller of the Currency to tell us that the way of the transgressor is hard. In making public the defalcation and forgery of the late J. B. Martindale, the Controller is only doing his duty. There is a false humanity which would have assumed that because the offender was dead and the bank's depositor had been reimbursed the amount in default the incident should have been allowed to pass into oblivion. This is neither good morals nor good business.

What will strike those who knew the late President of the Chemical National Bank will be the relatively small amount involved, in view of the fact that his salary was a large one. He was an able banker, and regarded by all who knew him as the soul of honor. He was able to compete with other banks, and still to maintain the sound banking policy of paying no interest on current accounts. His high reputation, indeed, was a protection to himself but a danger to his bank, and here the controlling reason for making the matter public is to be found.

Even at the risk of giving pain, it must be said that defalcations over a period of years by a bank officer should be impossible, and would be impossible with directors who direct. However high the reputation of a bank's officers may be, the board of directors has no business to take anything for granted. In this case, the directors of the bank were responsible to the large depositor whose funds were misused; nor is it sufficient to plead the ingenuity with which the defalcations were concealed. Ingenuity is assumed in such cases, and indeed, is indispensable.

The lesson here is one which has been read to bank directors many times before. No doubt there has been great improvement, especially in the past decade, and a scandal of this kind always means a wholesome tightening of screws which have worked loose. Wall Street has been singularly free from such incidents, but is bound to set the highest standards of banking honor and efficiency for the imitation of the rest of the country. It is for this reason that the painful duty of comment on an incident which many people would mistakenly call closed, is so necessary.

Directors are not put upon the boards of banks for ornament, for the advertising value of a well-known name, or even as dummies to represent specific financial interests. They have, individually and collectively, moral and legal responsibilities, and the Controller of the Currency does well to bring home the fact.

U.S. RAILWAY PROBLEMS.

Financial World.

If the sober mind of the country is not in itself a bar against any such a socialistic program (government ownership of railways) there is another obstacle, which, like an unscalable mountain peak, would interfere with its carrying out, and that is that the people, already burdened with the heavy cost of the war, are not apt to consent to a step which would multiply their burdens as much again as the war has cost.

Confiscation of the railroads would be impossible; such an act would virtually mean not socialism, but practical anarchy, considering the wealth the American people have invested in the railroads. Their purchase would call for billions of dollars; pray whence is that money to come? Already regulated in a manner to satisfy the public, why the necessity of Government ownership? And with the railroads owned by the Government, operated by a few million of Government employees, would that not form an ideal instrument for the upbuilding of a dangerous power in the hands of an American Napoleon once he had firmly put his feet in the stirrups and his hands on the reins?

These are the thoughts which should receive the calm consideration of the thinking American people, and which will resolve themselves into a few of the formidable obstacles to Government ownership of the railroads.

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The serial beginning in MACLEAN'S for October is "The Pawns Count," a story of the present war, dealing with the work of the secret service agents of the various belligerent countries. You can depend on its being a strong, thrilling story, told by a master of his craft.

Beland—Prisoner of War

The Hon. Louis Beland, a prisoner in Belgium since the beginning of the war, gives the story of his captivity, chiefly in the form of letters to Sir Wilfrid Laurier, in whose last cabinet he held a portfolio.

The story is intimate, vivid, gripping, wholly unusual, and appears in the October MACLEAN'S.

John Bayne Maclean

Col. Maclean contributes another chapter on the war situation as he knows it, in his forceful, smashing style. These articles by Colonel Maclean are truly startling by reason of their revelations.

Germany's Secret Work in Canada

Germany is plotting in Canada and the United States right now. If you are curious to know just what she is doing, learn from Miss Agnes C. Laut's article in the October MACLEAN'S, "The Plot Behind the Pacifists."

Beating the Customs

An article full of actual occurrences of how the public attempts to "beat" the Customs, and of how the Customs authorities beat the public. This absorbingly interesting narrative is by J. D. Ronald who, as a Customs officer, came into close touch with offenders and offences. A semi-detective article, this true story makes great reading.

Stringer, Fraser, Leacock and Hendryx

The work of these masters of the short and long story appears in the October MACLEAN'S. Stringer's story is "The Redeemer of Waste Lands"; W. A. Fraser writes a love story, "For Catherine's Sake"; Leacock has a humorous sketch; and Hendryx continues his captivating story of the Canadian Northwest, "The Gun Brand."

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Business Founded in 1795
AMERICAN BANK NOTE COMPANY
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BANK NOTES, BONDS, STOCK CERTIFICATES, CHEQUES AND OTHER MONETARY DOCUMENTS.
SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES
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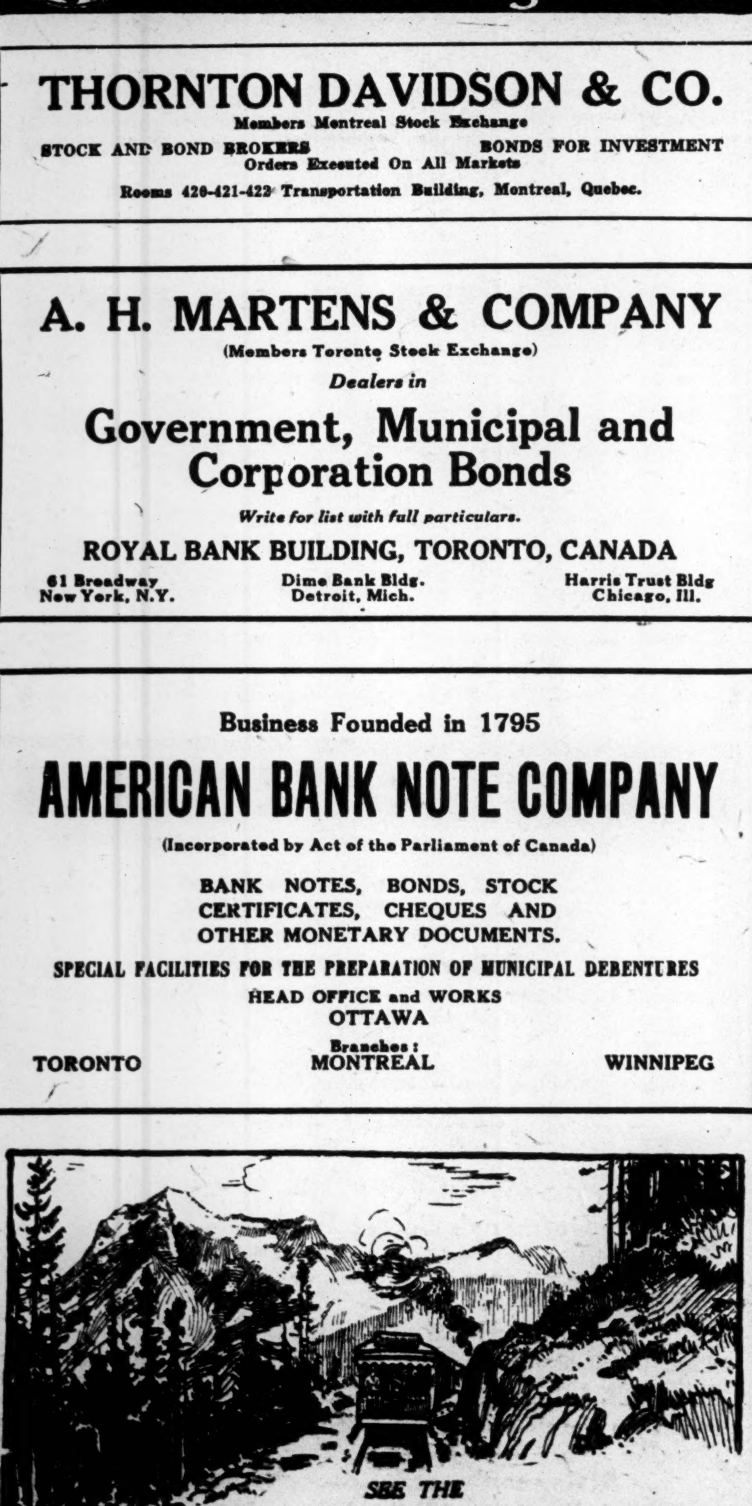

SEE THE
Canadian Northern Rockies
en route to the PACIFIC COAST
You will be amply repaid. Convenient Train Service. Summer Tourist Fares.
by the Natural Wonders of Jasper Park and Mount Robson, Monarch of the Range
For through tickets, information and our handsome Mountain Booklet apply to nearest C.N.R. Agent or General Passenger Dept., Montreal, Que., Toronto, Ont., and Winnipeg, Man.
CANADIAN NORTHERN RAILWAY

NEWS OF THE BOND MARKETS

PUBLICITY PLANS BEING COMPLETED

Canadian Press Association Undertakes Advertising of Fourth War Loan.

WILL BE ON LARGE SCALE

Country Will Be Organized From Coast to Coast in Districts by Expert Bond Salesmen.

Another quiet week in bond circles. Business continues in limited volume and is confined almost entirely to private investors, institutional buying being of narrow dimensions. Recent offerings are moving off slowly in spite of the attractiveness of quotations and few bond houses would care to take on heavy commitments at the present time. New issues, if small, are being taken up, but larger issues, say of $100,000, are being passed by The United States market is almost absolutely sealed to Canadian offerings. War loan preparations are absorbing the attention of practically all bond houses.

Developments of an interesting character in connection with the next war loan are expected at the weekend, following the conference at Ottawa on Friday between the Finance Minister and the executive of the Bond Dealers' Association. It is anticipated that the selling plan outlined in these columns last week will receive the approval of Sir Thomas White, and that the work of organizing the vast field will be commenced forthwith.

In the meantime, publicity plans are being rapidly completed. The Finance Minister has entrusted to the Canadian Press Association the task of informing the people of Canada regarding the national needs and urging them to do their part in furnishing the sinews of war. A sum of money, said to amount to $150,000, has been set aside for newspaper advertising, and in addition the Press Association has established a publicity bureau which will supply the press of the country with supplementary reading matter, including editorials, selling plans, etc., for the further advertising of the bonds. Every newspaper in Canada will participate in this campaign, and the advertisements will take large space. Educational advertising will commence within a few weeks.

The Bond Dealers' Association are collaborating with the Press Association in this matter. The Publicity Committee of the former organization has already been in conference with the special war loan publicity committee of the latter, and ideas of mutual value have been interchanged. Through their committee the bond dealers will have the supervision of all advertising matter that is sent out by the Press Association.

If Sir Thomas White sanctions the selling plan proposed by the Bond Dealers' Association, the government will virtually take over and employ the selling organizations of the bond houses. It will probably be arranged that the territory to be covered will be divided up and each bond house allotted a section. An expert bond salesman with one or more assistants will then go into this field, and, with the assistance of the local bankers, organize it for a campaign which will ensure an appeal being made to everyone in the district.

"If the plan is adopted and the organization work thoroughly accomplished, the loan will be a splendid success," declared one bond man, and others reiterated this belief. Not only would the lamentable duplication of effort, so noticeable in previous loans, be avoided, but the canvass would be much more widely extended. There would not be a house, which would not receive a copy of the prospectus, and very few houses that would not be personally visited.

It is pretty well settled that the amount of the loan will be $150,000,000 and that the selling campaign, following a three week's educational campaign, will commence in November. Beyond this nothing definite has been settled about the terms, nor is it likely that anything definite can be settled until nearer the date of flotation. Toronto bond dealers are understood to be urging a 5½% bond at par, with instalment privileges to make the yield slightly better than a 5½% rate. In Montreal a 6% rate is advocated. It may be hoped that Sir Thomas White will hold down the interest rate to as low a level as possible.

No definite statement has been made on the subject of denomination. It is anticipated that a $50 bond will be available and this will be necessary if the appeal is to be made widespread. Whether there will also be participating certificates in $10 denominations remains to be seen.

NEW TORONTO BONDS.

Mistake Made in Yield Rate in Last Week's Issue of The POST.

A compositor's error in setting up C. H. Burgess & Co.'s advertisement in last week's issue of THE FINANCIAL POST, was responsible for crediting New Toronto bonds with a higher yield than they are actually carrying. The correct yield rate is 6⅛%, not 6½%, and those investors interested in New Toronto securities will kindly note this correction.

RECENT ISSUES.

Fate of Offerings Made by Municipalities This Week.

No award was made in the case of the Smith's Falls issue of $135,000, 6%, 20-instalment hydro-electric debentures, all offers being below the level at which the town was willing to sell.

The Town of Aurora's issue of $8,000, 6%, 20-year waterworks extension debentures, up on Monday, went to J. M. Walton, a local banker, the selling price being $7,940.

W. F. Morgan Dean & Co., Hamilton, announce the purchase of two blocks of town of Sudbury 5%, 20-year bonds, amounting to $21,000 and $17,226 respectively.

NEW BOND HOUSE.

Harry B. Housser Leaves Jarvis & Co., to Establish New Firm.

Harry B. Housser, for the past two years connected with Aemilius Jarvis & Co., as manager of the bond department, has severed his connection with that financial house, and gone into business for himself under the firm name of H. B. Housser & Co. Offices have been secured in the Dinnick Building, 10-12 King St. East, Toronto, where the new firm will deal in government and municipal bonds.

Aemilius Jarvis & Co. announce the appointment of H. L. Somers as manager of their bond department to succeed Mr. Housser. Mr. Somers was previously assistant manager.

SHIPBUILDING BONDS.

Montreal Bond House is Floating a $100,000 Guaranteed Issue.

The Credit Canadien Incorpore have secured $100,000, 6% bonds of the Three Rivers Shipbuilding Yards, Limited, of Three Rivers. The sale went through at 95. The redemption will take place as follows: $12,000 in 1919, and $11,000 each year for the next 8 years. The bonds are guaranteed by the municipality, both as to principal and interest, and are in the form of assistance to a new shipbuilding firm that has been formed. The principals are T. M. Kirkwood of Toronto, and Mr. Kennedy, naval architect, of New York. Contracts have been signed with the Imperial Munitions Board for the building of several wooden hulls, 250 feet in length. Land has been secured and the construction of the plant has begun.

WAR SAVINGS STAMPS.

An Issue of 25-Cent Stamps is to Be Made in Canada.

An interesting announcement in connection with the sale of war savings certificates in Canada has been made by the Finance Minister. War savings stamps are in course of preparation. These will be issued in connection with war savings cards, on which the stamps will be placed. When all the squares are filled, cards may be taken to the post office and exchanged for one of the regular certificates. The stamps will be in the denominations of 25 cents, and the cards will contain spaces for 34 of these and one 10-cent stamp, making $8.60 in all. For these, ten dollar certificates will be given.

The stamp, which will be sold at post offices, will be of special design, and will contain a reproduction of Partridge's famous drawing, "Canada," commemorating the achievements of the First Canadian Contingent at Ypres, April, 1915. The proprietors of Punch have generously given permission to the Minister of Finance for the reproduction of the sketch.

According to this plan, the minimum investment is reduced to 25 cents, which should place this means of saving within the reach of people of very limited means. At the same time, it might be worth the Finance Minister's consideration, to extend the plan even further and allow the use of stamps of smaller denominations. A man or woman might be willing to put aside a five or a ten-cent stamp, when they would hesitate to go to the post-office and buy a special 25-cent stamp.

WAR SAVINGS GROUPS FORMED IN AUSTRALIA

Interesting Scheme Suggested For Disposing of War Savings Certificates.

CONTRIBUTE BY THE WEEK

Are Able in This Way to Secure Certificates Much More Quickly Than by Individual Saving.

The Australian plan of forming war savings groups for the wider sale of war savings certificates might with advantage be copied in Canada. The idea is to encourage systematic saving by grouping a number of people together and getting them to agree to contribute a certain sum per week or month to a common fund. As this fund accumulates, certificates are purchased and these are awarded to the members of the group according to some preconceived plan.

The advantage, apart from the encouragement of thrift, lies in the fact that by this means certificates can be bought at an earlier date than would otherwise be the case. For example, if 35 people agreed to contribute to a common fund, 25 cents a week, it would be possible to purchase a $10 certificate each week. The first certificate thus acquired would be dated 35 weeks or eight months earlier than the last certificate, and the person to whom it would be awarded would get an appreciably higher rate of interest on his money than would be received by the holder of the last certificate. The average would be 17 weeks earlier than if the certificates had been bought separately by 35 individuals.

In Australia a special circular has been issued giving directions as to how these war savings groups can be formed. The minimum payment per member is usually fixed at 6d., but if some members, owing to better financial circumstances, are able to pay larger amounts, they can do so, as the primary object of the group system is to encourage thrift or savings to the fullest possible extent. The idea of forming the groups is that, if 35 people separately save 6d. per week, they will be able to buy 35 certificates at the end of 35 weeks, but not before; but if they combined, they could, with the joint funds of the group, buy one certificate each week. At the end of 35 weeks, the first certificate has been current for 34 weeks, and therefore is of more value than if it had the full period to run. The 35 certificates are, on the average, dated 17 weeks earlier than if they had been bought separately by 35 individuals.

A secretary for the group is appointed, who keeps a record of the members' subscriptions and each member has a card on which subscriptions as paid are recorded. When the secretary has in hand enough money to buy a certificate, he should do so and, when any member has paid in sufficient to buy a certificate, one should be allotted to him. The certificates held by the group are of course of different dates, and therefore of different values, so it will be necessary for each group to decided on a method of distribution. The simplest arrangement is to ballot for them. If any member is unable to continue his subscription, he should be repaid by the secretary the full amount contributed but without interest.

VILLE ST. PIERRE.

Bond Issue of Quebec Municipality Secured by Credit Canadien.

An issue of $110,000 6% serial bonds has been purchased from Ville St. Pierre, P.Q., by Credit Canadien Incorpore, Montreal, for 95. These bear date of Sept. 1, and extend from 1918 to 1951, in denominations of $100 and $500. The issue is to provide for the completion of certain roadways, sidewalks and sewers, as well as a public bath. Ville St. Pierre is a town of 4,000 inhabitants situated immediately to the West of Montreal West, and adjoins Lachine. It contains one of the plants of the Canadian Car and Foundry Co., which has been engaged on munitions. Taxable property amounts to $2,867,255, with $299,425 exempt. The debt, including the present issue amounts to $574,585. Like a number of other small municipalities on the Island of Montreal, Ville St. Pierre is anxious to be linked up to the metropolis, but like others is taking the precaution of seeing that certain improvements, including the bath, are carried through before these become subject to the consent of the city council, or a commission, if one is appointed. To carry out the annexation, the city authorities would have to jump over the municipalities of Westmount and Montreal West, which are separate, but this is not uncommon, as Longue Pointe, lying beyond Maisonneuve, which is separate, is a part of Montreal.

R.C.Matthews&Co.

Government and Municipal Bonds

C.P.R. BUILDING
TORONTO

Canadian Government and Municipal Bonds

We recommend the purchase of Canadian Government and Municipal Bonds at present prices.

Send for list of Bonds yielding
5½% to 6½%

R. A. DALY & CO.
BANK OF NOVA SCOTIA BUILDING
TORONTO

HARVEY, RICHARDSON, COLE & ROBERTSON
Chartered Accountants
CALGARY - EDMONTON - WINNIPEG
Western Representatives of
MACINTOSH, COLE & ROBERTSON, C.A.
Montreal and Toronto
Consultants on Municipal Finance, Auditors, Etc.

SEALED TENDERS, addressed to the undersigned, and endorsed "Tender for Metallic Fittings, No. S-1811," will be received until 4.00 P.M., on Wednesday, September 26, 1917, for the supply of Filing Sections for Dominion Public Buildings, Ottawa.

Plans, specification and forms of contract can be seen and forms of tender obtained on application to the office of the Caretaker, Post Office, London, Ont., the Overseer of Dominion Buildings, Post Office, Montreal, the Clerk of Works, Postal Station "F," Toronto, and at this Department.

Persons tendering are notified that tenders will not be considered unless made on the forms supplied, and signed with their actual signatures, stating their occupations and places of residence. In the case of firms, the actual signature, the nature of the occupation, and place of residence of each member of the firm must be given.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, equal to ten per cent. (10%) of the amount of the tender, which will be forfeited if the person tendering decline to enter into a contract when called upon to do so, or fail to complete the contract. If the tender be not accepted the cheque will be returned.

The Department does not bind itself to accept the lowest or any tender.

By order,
R. C. DESROCHERS,
Secretary.

Department of Public Works,
Ottawa, September 12, 1917.

Newspapers will not be paid for this advertisement if they insert it without authority from the Department.

DEBENTURES FOR SALE.

County of Carleton

TENDERS FOR DEBENTURES

SEALED tenders, addressed to the undersigned, will be received up to Wednesday, October 3rd, 1917, at noon, for the purchase of $60,000.00 to be issued, dated the 20th day of September, A.D. 1917. Each Debenture will be for $3,789.22, which includes interest at the rate of five and one-half per cent. per annum, or for less amount than $3,789.22, at the option of the purchaser, but not to exceed $3,789.22 for principal and interest each year, and shall have attached to them coupons for the payment of the said interest, accrued interest, if any, to be returned. The above debentures are for forty years.

CHAS. MACNAB,
County Clerk.

Ottawa, Sept. 18th, 1917.

The municipality of St. Francois Xavier, Manitoba, has applied to the provincial government for a guarantee of its bonds to the extent of $55,000. The sum is to be used in improving the main highway between Winnipeg and Portage la Prairie.

PROVINCE OF QUEBEC MUNICIPAL BONDS

Yielding 5½% to 6%

Correspondence Solicited

RENE-T. LECLERC

INVESTMENT BANKER

160 St. James Street Montreal

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Barristers, Solicitors, Etc.
Canadian Bank of Commerce Building, Toronto

Cable Address: Blakes, Toronto.
General Solicitors for the Canadian Bank of Commerce, National Trust Company, Limited, etc.

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Baldwin, Dow & Bowman, Jackson Block

CONSULTING ENGINEERS

MONTREAL
W. J. Francis & Co. - 260 St. James St.

WE OFFER

$30,000.00

Maritime Coal, Railway & Power Co., Ltd.

First Mortgage 6% Gold Bonds

Due 1st April, 1934

Denomination $500.00

PRICE ON REQUEST

Beausoleil, Limited

263 St. James Street
Montreal

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures"

Paid-Up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

THE GREAT WEST PERMANENT LOAN COMPANY

WINNIPEG TORONTO
VICTORIA REGINA CALGARY
VANCOUVER EDMONTON
LONDON, ENG. EDINBURGH, SCOT.

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

MONDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board,

GEO. H. SMITH, Secretary.

Toronto, August 29th, 1917.

FIELD OF MUNICIPAL FINANCE

MONTREAL NEEDS $13,000,000 LOAN BY FIRST OF MAY

There is $6,900,000 Due on Dec. 1, and Balance Next Year.

REFORMS ARE SUGGESTED

Higher Tax Rate With Retroactive Charge for Local Improvements—Commission Form of Government the Remedy.

By Controller E. W. VILLENEUVE, In charge of Finance Departments, City Hall, Montreal.

The City of Montreal is not bankrupt. Far from it. On the contrary, with a few changes in the financial administration, Montreal would in a short time not only wipe out its annual deficits, but would gradually clear off its heavy debt, and place itself in the position that it should occupy, the strongest of any city in Canada. To the superficial observer the immediate outlook before the city is gloomy in the extreme:

There was a deficit of $500,000 in 1915; another of $1,500,000 in 1916, and a third of $1,400,000 in 1917.

This year we tried to float a loan of $1,400,000 to take care of the latest deficit, but there was not a single offer received, and the bank has been advancing us small sums on the security of the incoming revenue.

Three years ago there was authorized a loan of $13,000,000 in New York, mainly to cover public works. Of this $6,900,000 was placed on Dec. 1, 1914, and the balance of $6,100,000 on the first of May following. The bonds bore interest of five per cent., and the first lot sold at 98.671, and the latter at 98.83. The first amount, close to $7,000,000 is due on the first of December of this year and must be met, and the second lot of $6,100,000 must be paid at the time of maturity, May 1, 1918.

How Debt Has Grown.

The city debt increased from $33,000,000 to $100,000,000 in the past ten years. The official figures are:

Year.	Amount of Debt.
1907	$33,366,825
1910	48,568,079
1916	100,437,699

From the last sum must be deducted $2,109,203, the amount of the sinking fund at Dec. 31, 1916, leaving the net debt of the city at $98,328,495. The net increase in the ten years is therefore over $67,000,000. The sinking fund was not started, by the way, until 1908-9.

In the past seven years we have spent $143,000,000, of which a very large proportion represents the results of loans.

Aqueduct a Huge Loss

On the aqueduct the sum of $5,857,000 has been spent by the city, and it is estimated that before the completion of the work the total expenditure of $12,000,000 to $13,000,000 will be required. At the start it was estimated that we would secure power at $13; it is likely to cost nearer $100, which would destroy all chance of making the power bear a share of the cost of construction. There is a movement now to discontinue the work, owing to the adverse reports made by the ratepaying engineers of Montreal.

Salaries of civic employes have risen from $2,600,000 in 1912 to $4,500,000 during the past year.

And yet, Montreal with a population of 664,660 within the city limits, and 760,000 if we take in Westmount, Outremont, Maissoneuve, and Verdun, and a revenue of $12,564,786 in 1916 compared with $6,615,701 in 1910, I am firmly convinced, could with a few changes, be brought into a financial position that would be absolutely unassailable.

A Commission Needed.

First of all, in order to free the city from the corrupting influence of municipal politics I would have it placed under the control of a Commission. This plan was advocated by me at the beginning of last year, shortly after my election, and I am hopeful that this action will be taken at the coming special session of the Quebec Legislature. This would seem like taking the control of the city out of the hands of the people, but the system of Government that has been in force under the Board of Control and the Aldermen has brought the city into a position where the banks refuse to loan us a further cent, and some drastic step must be taken to save us. A commission of the best men the city could provide, appointed by the Legislature, would work out reforms without fear of local influences, and would be able to work wonders to our finances.

There are two main reasons, apart from waste and improper public works, such as the widening of streets, etc., for our big debt and our heavy deficits: our low tax rate on the one hand, and the system whereby the city bears the cost of "local improvements," including pavements, but not sewers or sidewalks.

Too Low Tax Rate.

Compare the tax rate of the city of Montreal with that of Toronto. In Montreal the rate is 15 mills; in Toronto 25 mills, a difference of one per cent. If the tax rate of the city of Montreal were brought up to that of Toronto we would raise $3,500,000 a year more, or double that required to wipe out the average deficit of the last three years.

Local Improvements

The second great weakness of our civic financing is the system of loading the city with costs of local improvements; in Toronto all, I understand, except the intersections of streets are borne by the property owners whose premises are benefited by the improvement. In Montreal the whole cost of pavements is paid by the city. What is the result? Simply that in the period since this system was in effect the city debt has been piled up to the extent of $25,000,000 by this means alone. It is not necessary to add that a great portion of these so-called "improvements" would not be carried out at all if the individual property owners had to pay.

Retroactive Legislation.

There was a proposal to change this system in future and make all properties pay the cost, but objection was made that this would be unfair to those that would be charged thus in the future: for in the past their neighbors had received the benefit at the general expense. Now it is proposed to make the cost of these local improvements retroactive, and thus pay off our $25,000,000 of debt under this head, by the property owners, in a series of payments like they would have done under a more equitable local improvement system. Before this was done, of course, the streets would have to be put in good repair, and then a cost price worked out that would be uniform for all. This retroactive legislation, with all new improvements carried out at the cost of the owner would wipe out the debt of the past and provide a sinking fund for the meeting of the debentures when they became due.

The commission would look at points like these and others not from the "popular" side but from that of the general interests of the city. The control by the Commission I would continue until the equilibrium of the city's finances had been re-established.

A commission form of government would, in the best interests of the city, see to it that real estate proprietors were not unfairly burdened, and besides a larger tax rate each year, there are new sources of revenue that could be tapped. I am convinced that the people of the city are willing to pay sufficient to lift the administration of civic affairs out of debt, provided they could feel that they were getting value in return. The financial standing of the city of Montreal is as high as that of the Dominion of Canada.

Immediate action must be taken to meet the $6,900,000 that falls due on the first of December.

"Survey" is Encouraging.

One of the most encouraging steps that has been taken by the city is the adoption of the proposal made by me that there should be a "survey" of civic departments by the Bureau of Municipal Research. This was passed at an expense of $18,000, and will occupy about five months. After that we will propose that a permanent branch of the bureau be established here at the expense of the citizens.

A POPULAR LOAN.

Saskatchewan Offers Bonds to Its Citizens Direct.

A loan described to be the first of its kind to be floated in Canada, is being made by the government of the Province of Saskatchewan under the name of the Saskatchewan Greater Production Loan. The object is to raise money within the Province for the carrying out of the scheme of rural credits under the farm loans act. Ten-year bonds in denominations of $20, $100, $500 and $1,000, bearing interest at 5% per annum, will be offered. The unique feature is evidently the provision that a holder may cash in on his bond at any time after giving three months' notice to the Provincial Treasurer.

SASKATOON'S SOLUTION.

City Will Sell Block of Bonds to Its Sinking Fund.

The Saskatoon City Council has decided to ask the Local Government Board for authority to invest sinking fund moneys in city debentures. The corporation requires $69,181 to meet capital expenditures in excess of funds already on hand. To raise this sum, two suggestions were offered by Commissioner Yorath. One was to invite tenders from bond dealers upon a block of debentures; the other to sell bonds to the sinking fund. The latter plan was decided upon.

A SMALL SURPLUS.

Toronto Hydro System Reports Small Balance for Six Months.

A report of the Toronto hydro-electric system for the first six months of 1917 has been issued. There was an increase of 15,000,000 k.w. hours or 23 per cent. in new business, and an increase in revenue of 16½%. Costs were up 28½%, due to the local commission's contract with the Ontario Commission, which penalizes the city for power bought on the peak load. After providing for all reserves, depreciation and other contingencies, there was a surplus at the end of June of $198,485, including a surplus of $63,390 brought forward from 1916.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Sept. 22, Lanark County—$50,000, 6%, 20-instalment debentures of the County of Lanark.

Sept. 24, Petrolia—$27,500 debentures repayable in 20 instalments, at 6%. John McHattie, Town Clerk.

Sept. 27, Acton, Ont.—$25,000, 6% debentures of the Village of Acton.

Sept. 27, Redford Rural Telephone Co.—$10,200 debentures, in 14 annual instalments, for erection of 39 miles of rural telephone line. R. J. Rivett, Sec.-Treas., Wilkie, Sask.

Oct. 3, Carleton County.—$60,000 debentures, at 5½% for 40 years. Chas. MacNab, County Clerk.

BY-LAWS PASSED.

Sept. 5, Esterhazy, Sask.—$1,500 debentures at 8%, 15-instalments, for various purposes.

Sept. 17, Smith's Falls.—$12,000 debentures for completion and equipment of school.

Sept. 15, Owen Sound.—$75,000 loan to steel industry.

Sept. 17, Stratford.—$50,000, 5-year debentures for Patriotic Fund.

Sept. 17, Stratford.—$30,000 for extension and improvements to local electric distribution station.

BY-LAWS TO BE VOTED ON.

Sept. 21, West Lorne.—$5,000 bonus to Bernard C. Weisbrood for establishment of factory.

Sept. 24, Perth.—$120,000 to buy out Canadian Electric and Water Power Co., and $30,000 to consolidate town's floating debt.

Oct. 6, Bradford.—$15,600 debentures for installing and distributing electric power.

DEBENTURE NOTES.

Ottawa.—The $300,000 lying in the city's interest and sinking fund accounts is to be invested in local improvement debentures. The board of control recently decided to have the debentures changed from fives to five and a halfs and the council approved. Now council has sanctioned the investing of sinking funds in these bonds. It was thought better to do this than to sell the debentures at the present market.

BRITISH COLUMBIA.

The following certificate has been issued by the Municipal Department of the Province of British Columbia:—

Rossland.—Debentures Nos. 1 to 60, $30,000, 20 years, interest 6%, payable half-yearly, issued under By-law No. 181, school purposes (By-law certified May 8th, 1917). Certificate issued September 4th, 1917.

BOND SALES.

$300 Canada Bread at 91½; $1,000 Canada Cement at 98; $500 Canadian Cottons at 80; $5,000 Dom. Iron at 87; $9,000 Dom. Textile, Ser. C, at 99; $1,000 Ogilvie Flour, Series A, at 103; $1,000 National Breweries at 81; $100 Price Bros. at 83; $1,500 N. S. Steel at 82; $2,000 Quebec Ry. at 61 to 60; $2,100 Rio Janeiro at 81 to 80; $8,500 Wayagamack at 81 to 80; $20,900 War Loan (1925) at 97¼ to 96⅝; $65,100 War Loan (1931) at 96¼ to 95⅛; $152,900 War Loan (1937), at 95¼ to 94⅞.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Sept. 1[illegible]	Sudbury, Ont.	W. F. Morgan Bean, Hamilton	[illegible]	20-yr	[illegible]	....	....
" 5	Ville St. Pierre, P.Q.	Credit Canadian Incorpore, Montreal	6%	35-yr.	110,000	95.	....
" 17	Aurora	J. M. Walton, Aurora	6%	20-yr.	[illegible]	....	....

Credit-Canada, Limitée

Government, Municipal and School Bonds

President. Hon. H. B. Rainville
Managers { E. A. Ouimet / F. Saint-Pierre

179 St. James Street, - Montreal, Canada

CANADIAN-PACIFIC

THE FINEST HUNTING GROUNDS IN AMERICA

ARE CONVENIENTLY REACHED

via

CANADIAN PACIFIC RAILWAY

Moose Bear Caribou Red Deer and Small Game

ARE QUITE PLENTIFUL

Particulars from Canadian Pacific Ticket Agents or W. B. HOWARD, District Passenger Agent, Toronto

Investors' Information Bureau

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Will be President Some Day

THE future General Managers and Presidents of our Canadian Banks are in many instances, branch managers right now. These men are purposefully preparing themselves for bigger positions.

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COMBINING SAVINGS, INVESTMENT AND PROTECTION FEATURES.

It's a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policyholders, who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that would otherwise probably have been dissipated, and now they find that for every $100.00 so invested, from $125.00 to $210.00 have been received, depending on the length of the endowment term. Meanwhile, their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

SECURE AN ENDOWMENT WITH

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
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British Colonial Fire Insurance Co.

2 Place d'Armes, Montreal

AGENTS WANTED IN UNREPRESENTED DISTRICTS

THE
CANADA NATIONAL FIRE
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SURPLUS TO POLICYHOLDERS, $1,820,752.82

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED.

NEW RECORDS

Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Total Benefits Paid 42 Million Dollars

FRED J. DARCH, S.S., E. G. STEVENSON, S.C.CR., Temple Building, TORONTO.

DO YOU

ever think of the plight of your family if ever you were killed or carried off by disease? Now your wages provide them with the comforts they deserve. Your wife is free from worry. Your children are obtaining a good education. Your love shields and protects them and they are happy. But what would happen if the "unexpected" should overtake you?

Deprived of your support and protection, your wife would be compelled to take up the burden as a bread-winner. And, lacking your skill and training, she would be forced to take whatever work she could get—poorly paid drudgery that would break her health while bringing in hardly enough to avert starvation. Your children might be forced to leave school to enter the ranks of the workers.

Make adequate provision for your family by means of Life Insurance, the only sure way to provide for the future.

The Great-West Life issues policies to suit every need and circumstance. Do not put it off any longer, but write now for information—a post card will do—stating age, to

The Great-West Life Assurance Company
Dept. "G."
HEAD OFFICE: WINNIPEG

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INVESTORS' INSURANCE NOTES

PROGRESS OF INSURANCE IN B. COLUMBIA

Report For 1916 Has Just Been Issued by Superintendent of Insurance.

CHANGES AMONG LICENSEES

Statistics as to Amount of Business Transacted by Fire, Life and Other Insurance Companies Last Year.

Some interesting information on the progress of the insurance business in British Columbia is supplied in the annual report for the year 1916 of Ernest F. Gunther, superintendent of insurance. Mr. Gunther reports that at the end of the year there were 114 companies licensed to transact the business of fire insurance in the Province. Of these 84 held Dominion licenses and 30 Provincial licenses. Six companies ceased to do business in the Province, while six others were for the first time licensed to transact the business of fire insurance, leaving the total the same at the year-end.

Companies ceasing to do business in British Columbia were: American Insurance Co.; Anglo-American Fire Insurance Co. (in liquidation); Lumber Insurance Co. of New York, (merged with Stuyvesant Insurance Co.); Montreal Canada Fire Insurance Co., (in liquidation); Indiana Lumbermen's Mutual Insurance Co., and West of Scotland Insurance Office, Limited.

New companies admitted were: Canada Accident Assurance Co., Imperial Guarantee and Accident Insurand Co. of Canada (license limited to insuring automobiles against fire); Millers' National Insurance Co.; Provincial Insurance Co., Limited, of Bolton, England; Industrial Fire Insurance Co., Akron, Ohio; Merchants' Fire Assurance Corporation of New York.

Other Companies

Under the insurance act, covering companies other than fire, ninety-four companies were licensed at the end of 1916. Of these 78 held Dominion, and 16 Provincial licenses. The following companies ceased to do business in British Columbia during the year:—Canadian Casualty & Boiler Insurance Co., amalgamated with General Accident Assurance Co. of Canada; and Union Pacific Life Insurance Co., the British Columbia business of which was reinsured with the Guardian Casualty & Guarantee Co. The following companies were licensed during 1916:—Scottish Union & National Insurance Co., Edinburgh, to transact automobile, sprinkler-leakage and tornado insurance; and the British Crown Assurance Corporation, Glasgow, insuring owners of automobiles against hazards of inland transportation and loss by theft.

Life insurance companies had in force in British Columbia at the end of 1916, business totalling $87,983,450. Of this, the largest amount was at the credit of the Great West Life, viz., $10,425,592. Other large amounts ranged as follows: New York Life, $9,017,125; Sun Life, $8,662,554; Mutual Life, $7,423,570; Canada Life, $5,409,827; Confederation Life, $4,191,102; North American Life, $4,171,645.

The order in which companies closed new business in 1916, was as follows:— Great West Life, $2,142,538; Metropolitan Life (ordinary), $1,050,000; Monarch Life, $977,000; New York Life, $850,759; Sun Life, $843,663; Confederation Life, $823,934; Prudential Life (ordinary), $722,401; Canada Life, $702,062; Mutual Life, $644,414.

Premiums for the year amounted to $2.906,421, and policies becoming claims, $1,206.545. Claims paid, including matured endowments, totalled $1,034,586. Life companies had invested on mortgages in the Province $8.382.497, and on other securities, including real estate and loans on policies, $7,799,672.

Fire companies have had the following experience during the past five years:

	Net Premiums	Net Amt. of Losses Incurred	Net Amt. of Losses Paid
1912	$3,535.653	$1,084.890	$1,065.489
1913	3,790.094	1,149.144	1,043,254
1914	3,592.878	1,696.780	1,542.840
1915	3,180.168	1,176.835	1,313.759
1916	3,121.885	1,378,764	1,290,641
	$17,220,680	$6,486,415	$6,255,989

The following table shows the net premiums and losses on miscellaneous business for 1916:

	Premiums	Losses
Accident	$126,329	$47,836
Sickness	100,723	43,025
Liability	282,166	191,399
Automobile	93,559	28,428
Burglary	1,585	365
Guarantee	36,004	13,995
Plate Glass	28,535	13,261
Marine	200,464	120,424
Miscellaneous	3,661	495
	$873,080	$459,288

Mr. Gunther makes the following recommendations in his report:

"'The amendment of the 'Mutual Fire Insurance Companies Act' so as to bring the formation and supervision of such companies under the Department of Insurance. Such companies are not now subject to regular inspection.

"The regulation of the storage of gasoline and similar oils in all parts of the Province, including municipalities where no satisfactory municipal by-law has been enacted.

"Uniform Standard Health and Accident Policies.—This matter has received the consideration of the insurance companies interested, and proposals have been laid before the Insurance departments of the Dominion and of the several Provinces. Believing that the enactment of policy conditions is a matter within the legislative jurisdiction of the Provinces, and as uniformity of such conditions throughout the Dominion is most desirable, I had it in view to recommend conference with other Provinces upon the subject before the next session of the Legislature. In a bill (the "Insurance Act, 1917"), however, now (June 1917) before the Parliament of Canada, it is proposed to enact standard general conditions as obligatory upon Dominion licensees transacting accident and sickness insurance, to which I respectfully draw your attention.

"Legislation regulating the carrying-on of insurance business in the Province by fraternal, benevolent, industrial, and similar societies.

"The consolidation, with amendments suggested by experience and by decisions of Courts, of the Insurance Acts, some seven in number. I am of the opinion that such legislation will be of advantage in administration as well as otherwise."

CANADIANS INTERESTED.

Van Horne Family Figures in Equitable Life Mutualization Plan.

The Equitable Life Assurance Society has been ordered by Judge Charles M. Hough, in the District Court of the United States, to show cause why the society should not be restrained from putting into effect the plan of mutualization. The order was issued on the complaint of the Royal Trust Company, Lucy Adeline, Hurd Van Horne, Adaline Van Horne and Richard Benedict Van Horne, all of Quebec, as executors and trustees under the will of Sir William C. Van Horne. The court further restrained the society from calling or holding any meeting of its policyholders for the purpose of voting on the plan.

The order also restrains until after the hearing the fulfillment of the transaction arranged between the society and T. Coleman du Pont, who, through the Equitable Office Building Corporation, has already given a mortgage to the society as part of the purchase price for the building owned by the society at 120 Broadway. Henry de Forest Baldwin appeared for the plaintiffs in the case.

REDUCED LIMIT.

Notice of Accidents Must Be Given Within Twenty Days.

The Senate has reversed the decision of the House of Commons not to reduce the length of time during which notice of accident must be sent to a casualty company from thirty days to a lesser period. It will be recalled that H. B. Morphy, K.C., M.P., urged this change while the insurance bill was in committee of the lower house, and a considerable debate on the point was held. However, Mr. Morphy's objections were over-ruled and the bill was given its third reading with the 30-day limit included.

In the Senate last Saturday, on the third reading of the bill, an amendment was introduced and carried, changing the word "'thirty" to "twenty."

Sir James Lougheed, in moving the third reading, explained that the amendment had been carried the previous day in committee, but on reconsideration, fearing that possibly it might not pass the House of Commons, owing to shortness of time, that decision was reversed and the bill was left as it was. Now, he was assured, there would be no difficulty with respect to the House of Commons, and the amendment remained.

"The amendment," stated Sir James, "has reference to the length of time during which notice may be given to a company in the case of an accident. Heretofore no time was mentioned. Representations have been made that thirty days would be too long a period, because advantage might be taken of the full time, and companies might thus be prevented from making a fair examination into whether the accident really did happen or not. The contention was that the length of time was a premium on fraud being perpetrated."

CONSCRIPTION BRINGS DRASTIC RULE FOR POLICY

One Insurance Co. Shuts Out All Who May be Subject to First Draft.

LIMIT SET OF $5,000

Companies Charge Extra $100 or More on All Young Men—War Policies 20 Per Cent. of Total To-day.

The coming into effect of the Conscription Act has brought before the insurance companies to a greater extent than before the increased risks of those who are likely to go to the front, and some drastic measures have been adopted by several to protect themselves from the operations of the Act as it may apply to intending applicants.

The most sweeping regulation that has been brought to the attention of THE FINANCIAL POST has been enacted by the Great West Life Assurance Company. A Montreal official states that in future no policy will be issued to any male between the ages of 19 and 35, that is, unmarried men, and widowers without children, in other words, all those will be excepted from the possibility of carrying insurance who are included in the first draft.

That this action will be by no means universal is indicated by a statement that was made to THE FINANCIAL POST this week by Arthur B. Wood, Actuary of the Sun Life Assurance Company.

Soldiers Claims Now One-Fifth

It must not be concluded that the Sun Life does not appreciate the increasing risks that Conscription will entail on the company. At the present time it is estimated that the payments made to the heirs of soldiers, form at least 20 per cent. of the total claims. This is a large proportion, especially when it is taken into account that the actual policies that are held by soldiers probably do not exceed 2 per cent. of the total; in other words, the risk of the soldier's policy is about ten times that of the ordinary policy.

Up From $50 to $100.

In order to protect the company a careful actuarial record is being kept of the new business that is being written up, and already since the war began, the rate on soldiers' policies has been increased twice, and in some cases, more than that. At first an extra charge of $50 per $1,000 was made annually; soon it was found that this was insufficient in the face of the heavy losses, and the extra premium was set at $75 a year per $1,000. Later the amount of the extra premium was left blank and the present rate is $100 per $1,000 policy, and runs in some instances to $150, and in addition provision is made that the amount may be changed from time to time.

Only an Endowment Policy

Another restriction is being brought into effect; instead of accepting an ordinary life policy, which at the age of 30 would be $24.20 a year, the soldier can only get insurance on a 20-year endowment (or a 15 or 10-year) the first of which at the age of 30 would cost $49.35 a year. Then, in addition to this, the insured must pay $100 a year per $1,000. If he fails to do this, the company will pay only 25 per cent. of the policy. Moreover, there is a maximum policy that will be taken on the life of any one who has enlisted of $5,000. The policy of the Sun Life and some other companies will be to treat all young men up to 34 or 35 years of age as liable to be conscripted, and there will be a limitation of the form of policy to the endowment, and the extra premium will be charged.

Mr. Wood stated that the subject was being followed up very carefully in the interests of the company.

"Every policy that was written before the war is free from the 'war' clause, and those who hold these are not paying the increased premiums, and to that extent they do not carry the greater risk. We have paid lots of such claims, and indeed, so far 75 per cent. of the policies that are held by soldiers do not pay the extra premium; they were taken out before Aug. 1, 1914. We are keeping an actuarial record of the new policies issued and so far we believe that we are protecting ourselves by the extra ten per cent. charge. As soon as the men come back and are discharged, they revert to the regular payments, without further examination, no matter whether, as is the case with many, they are suffering from tuberculosis as the result of gassing or other causes, and may die in a few years.

The English Rate.

"Our London, England, manager

Continued on page 15.

CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor. W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer. J. H. Bell, M.D., Grand Medical Ex.

HAMILTON - ONTARIO

Western Assurance Company

(Fire, Explosion, Ocean Marine and Inland Marine Insurance)
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.

Assets over - - - - - $ 5,000,000.00
Losses paid since organization over - - - - - - - - $66,000,000.00

BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, John Aird, Robert Bickerdike, M.P. (Montreal), Alfred Cooper (London, Eng.), H. C. Cox, D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. A. Robert (Montreal), E. R. Wood.

Chief Office for Canada, TORONTO

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

ALFRED WRIGHT, MANAGER

British America Assurance Co.

(Fire, Hail, Ocean Marine and Inland Marine Insurance)

HEAD OFFICE - TORONTO

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Assets, Over - - - - - - $ 2,700,000.00
Losses Paid Since Organization, Over - - - - - - - - $40,000,000.00

"Keep the Home Fire Burning"

by placing a Monthly Income Policy in

The Dominion Life Assurance Company

It guarantees your wages after death.

Head Office, - Waterloo, Ont.

Northern Crown Bank

HEAD OFFICE, WINNIPEG

Capital (authorized) - $6,000,000
Capital (paid up) - - $1,431,200
Rest and Undivided Profits $848,554

DIRECTORS.

President, Capt. Wm. Robinson.
Vice-President, Jas. H. Ashdown.
W. R. Bawlf, A. McTavish Campbell, Sir Douglas Cameron, K.C.M.G. E. F. Hutchings, John Stovel.
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Savings Department—Special care given to Savings Accounts, which may be opened by depositing $1.00 and upwards at any branch.

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V. F. CRONYN
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BRADSTREET'S

Offices Throughout the Civilized World.

We Present a Record—Not a Prospectus.

Reputation gained by years of vigorous, conscientious and successful work.

Thomas C. Irving
General Manager Western Canada
TORONTO

REAL ESTATE AND MORTGAGES

AUCTION SALE EXCITES PEOPLE OF WINNIPEG

133 Lots in Crescentwood Park Sold by New York Auctioneers.

BARGAIN PRICES REALIZED

Crowds Throng to the Place Where Sale Took Place and Great Interest Was Aroused.

The largest and most successful auction sale ever held in Winnipeg was staged in a tent at the corner of Crescent Avenue and Harrow Street last Saturday and Monday. The vendors were C. H. Enderton & Co., developers of Crescentwood Park, one of the finest residential districts in Western Canada. The property sold consisted of 133 lots in the park, and the sale was conducted by Joseph P. Day and J. Clarence Davies, noted New York auctioneers.

Messrs. Day and Davies introduced sales methods which were entirely new in Winnipeg, with the result that in two days, the whole offering was disposed of for half a million dollars. The American auctioneers revived interest in real estate which has been more or less inactive since the beginning of the war. They aroused the people to the value of their city by comparing the development of Winnipeg with that of New York, where property values are the highest in the world. The illustrations produced a great outflow of money for investment in the property at auction.

Last Saturday fully five thousand people attended the sale. Many prominent men were present, many desiring to buy a lot on which to build a home, others as an investment, and some as a speculation. In all 100 lots were sold on Saturday, the last one being knocked down at midnight. On Monday, the remaining 33 lots were sold. It was undoubtedly "bargain day" in real estate, and many were able to secure plots of land in one of Winnipeg's finest residential districts at prices about half their assessed value and at considerably less than half the figure at which they have been held by the former owner.

School Board Gets Bargain.

The Winnipeg School Board were able to buy the corner of Stafford street and Kingsway at $42 per foot frontage, which was considered a great bargain, it being assessed at $90 per foot. This purchase gives the ownership of the whole block upon which is situated the Kelvin Technical School, and rounds out a very valuable piece of property.

Deputy Attorney-General John Allen was the buyer of lot 43, which was knocked down to him at $43 per foot. This lot was assessed at $60 per foot. Lot 126 was purchased by Prof. W. F. Osborne at $62 a foot. He stated later that he was very happy that he had been able to secure this lot, as it was the one he had specially marked out for himself. P. C. McIntyre bought a lot on the Crescent at $72 per foot, which was assessed at $110, and for which before the sale the owners were asking $200 per foot.

Other buyers were Col. H. A. Mullins, Major H. W. Wright, A. McTavish Campbell, K.C., J. H. Ashdown, Douglas McLaughlin and many others, all of whom were able to secure bargains.

Expected Higher Prices.

When interviewed after the sale, Messrs. Day and Davies, the auctioneers and agents who conducted the sale, said the property did not bring the prices that were expected from such a residentially developed property, within two miles of the city, and the people who had bought could not fail to be pleased with the bargains they had secured, and those who had bought for speculation would be able to realize large profits in the future.

PROJECT DROPPED.

Idea of Bridging Burrard Inlet at Vancouver Has Been Shelved.

(Special Correspondence.)

VANCOUVER.—Readers of THE FINANCIAL POST interested in the coast will doubtless remember the formation of the Burrard Inlet Tunnel and Bridge Co. several years ago for the purpose of building a railway and traffic bridge over the north arm of Burrard Inlet in Vancouver, the enterprise being fathered and promoted by the municipalities adjacent to Vancouver. When the annual general meeting of the concern was held this week, a resolution was proposed and carried which, if finally carried at an adjourned meeting to be held shortly, will mean the voluntary winding up of the concern. The proposal to build the bridge was followed a short time after the formation of the company, by the outbreak of war, which materially interfered with the success of the construction of the bridge, which, in the first instance was supposed to cost $5,000,000.

The company was financed by stock subscriptions by the different municipalities, little of the money, however, being paid in. The actual money covering the preliminary costs was received from the Provincial Government in the way of a cash grant, a good proportion of which was utilized in payment for the preparation of plans of the bridge, over which some difficulty was experienced. When it was found that the company could not carry out its contract as to construction according to the terms of its charter, an extension was secured until Feb. 22 next year. No construction has been done.

Reeve Bridgeman of the North Vancouver Municipality, is now the president, and Mayor Vance of North Vancouver City is the vice-president the reeves and mayors of the municipalities financially interested are members of the board of directors. It is not probable that any further effort will be made to carry on the affairs of the company.

WILLS PROBATED.

Particulars of Estates Recently Passing Through the Courts.

The late Alfred Ward, coffin manufacturer of Hamilton, left an estate valued at $109,000, which was made up as follows: Books and notes, $1,004.65; mortgages, $17,299.70; life insurance, $7,310; stocks and bonds, $58,534; cash in bank, $3,091, and real estate, $22,100. On the death of the widow, who receives a life interest, the estate in proportions of 25 per cent. each, goes to two sons and two daughters, Alfred H. Ward, Hamilton; Mrs. Evelyn Dickson, of Edmonton, Alta.; E. H. Ward and Mrs. F. B. Griffith, Hamilton.

The late Judge Richards, of the Manitoba Court of Appeal, left an estate valued at $40,000. By the terms of the will the widow has a life interest in the estate, which comprises mainly Winnipeg real estate. On her death it is to be divided among the five children, S. E. Richards, barrister of Winnipeg, who is sole executor; H. H. Richards, of Edmonton; Crawford Richards, of Winnipeg; Mrs. Fred Bole, of Fort William, and Mrs. James A. Woods, of Winnipeg.

The National Trust Company, Toronto, has applied for administration of the estate of Thomas Milner Harrison, a barrister, who died in Toronto on June 12 last, leaving $860 cash, an equity of $5,000 in a half section of land in Manitoba, and a judgment for $10,822. The widow, Mrs. Ethel Harrison, of Toronto, will receive one-half of the property, the remainder going to the deceased's two sisters and two nephews, none of whom are in Toronto.

HAVE ANOTHER CHANCE.

Judgment Set Aside for Liquidation of Dominion Trust Co., Limited.

On representations that there had been a misunderstanding between the bench and the bar, and with the consent of all parties, Mr. Justice Murphy has declared his recent judgment in the Dominion Trust Company Limited winding-up proceedings to be a nullity and reopened the case for argument. This means that a considerable body of the shareholders of the Dominion Trust Company who have escaped liability as contributories of the liquidation on the ground that they had never exchanged their shares in the old company, the Dominion Trust Company Limited, for shares in the Dominion Trust Company, have a further chance to oppose the efforts of the liquidator to make them liable.

Following the success of these shareholders in the Court of Appeal the Dominion Trust liquidator sought to have the Dominion Trust Company Limited wound up, and thus establish in the place of liability to the new company a liability on the part of these shareholders as contributors of the old company. The petition was made in the name of Mr. Tully Boyce, a Nanaimo shareholder. Mr. Justice Murphy made an unsigned judgment ordering the liquidation of the company, but counsel for the shareholders applied to have the judgment set aside and the case reopened. Their contention was that the previous argument was only intended as a preliminary one.

On the resumed proceedings last week, Mr. Wm. Savage for the shareholders took a further preliminary objection to the effect that Mr. Tully Boyce was not a proper person to bring a petition. Mr. Savage pointed out that Mr. Boyce is at present a contributory of the Dominion Trust Company liquidation in respect of the same shares which he now pleads as his authority to sue as a shareholder of the Dominion Trusts Company Limited.

MUST RELEASE B.C. LANDS FOR SETTLEMENT

Government Party Visits and Examines Northern Interior of Province.

90 % OF LAND OUT OF USE

Legislation Likely to Be Introduced Which Will Force Speculative Holders to Let Go.

A party of British Columbia cabinet ministers and other members of the Legislature have been touring the northern interior of the Province recently and examining its resources. The first to return to Victoria was Hon. John Oliver, Minister of Agriculture, who was immediately interviewed by the local press. What impressed the minister most was the necessity of releasing the land for settlement. It was, he stated, the fact that from eighty to ninety per cent. of the agricultural land along the line of the G. T. P. and in the fertile valleys in the section through which he passed, had been held out of use under purchase, or under South African scrip. While the operation of the Soldiers' Homestead Act passed in 1916 would undoubtedly result in some portion of that area reverting to the province, yet some other steps must be taken to throw open the immense areas for settlement if the future agricultural progress of the northern interior was to be assured, to force holders to bring their lands under cultivation or to dispose of them to bona fide settlers at reasonable prices.

A Good District.

Referring to the Omineca section, through which the party travelled by motor, the minister said: "My examination of that great teritory confirms the opinion I formed when there three years ago. It is a country capable of carrying a large agricultural population. The average quality of the land there is better than the average of agricultural lands on the coast and, while there are climatic drawbacks not experienced on the coast, I have no doubt whatever that by adjusting operations to fit in with climatic peculiarities, the country can be successfully farmed. It will be largely a mixed farming country with immense possibilities to the energetic settler."

Referring to the great timber and mineral resources, the Minister gave it as his opinion that there has been a sad lack of any comprehensive policy under which development can be carried on to the best advantage.

Taxation Likely.

Hon. J. W. Weart, Speaker of the B. C. Legislature, who accompanied the party, stated in Vancouver that it was the intention of the government to bring down legislation at the next session with the object of opening up northern land for settlement.

Mr. Weart declared that he had formerly been of the opinion that British Columbia would never be an agricultural country, but his recent visit to the northern part of the province, with Premier Brewster and other members of the government, had opened his eyes and changed his views on the agricultural possibilities of the province. The object of the trip, he said, was to ascertain what amount of arable land was available for settlement. They found, he said, that while the agricultural possibilities of the north were unlimited, there were conditions that were not conducive to early settlement, owing to the fact that large tracts of arable land, running into hundreds of thousands of acres, were held by a few persons who had obtained crown grants and were forcing settlers to locate in districts less suitable for settlement.

Government Action.

Mr. Weart added that if the holders of the crown grants were unwilling to co-operate with the government in its efforts to open the arable lands for settlement, legislation would be brought down at the next session to meet existing conditions and compel owners of crown grants to sell the land at a reasonable price. He said that if they would not be reasonable, but held to the land for speculative prices, the government would have to institute a form of taxation that would make it difficult for them to retain possession; but if crown grant holders were prepared to co-operate, the government would be willing to arrange for the leasing of the land for settlement. He added:

"No man nor company of men has the right to hold land and get rich at the expense of the people who are settling in the districts. We have an empire of arable land in the North, and there is plenty of land in other parts of British Columbia for agricultural settlement."

CONSCRIPTION BRINGS DRASTIC RULE FOR POLICY.

Continued from page 14.

reports to us that the English companies at first charged an extra 7 guineas a thousand, and later this was increased to 10 guineas, or $52.50 a thousand a year, as a uniform rate. However, the claims became so heavy that it was left to each company to charge what it thought necessary to protect itself, and some are now as high as 15 guineas per thousand, and even higher. They must be on the safe side."

Will Not Cut Off Insurance.

Mr. Wood does not expect that the Sun Life will consider cutting off the insurance privileges of men between 20 and 34 or 35, although any insurance that is written up on the lives of those who might come under the first draft probably will be taken on the basis of soldier's insurance. If the insured afterwards is exempted, he will revert to the ordinary risk again.

"We do not look on the situation as at all serious, although we are watching developments carefully. We are protecting ourselves amply, and the losses will not affect our dividends to policy holders, and to a very slight extent our earnings. As we are running now we will show for 1917 an increase over 1916 that will exceed that of last year over the previous year."

SHAW GRENADES, LIMITED.

PUBLIC NOTICE is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 7th day of September, 1917, incorporating George Alexander Shaw, inventor, Ewen Mackenzie, contractor, Gerard Ruel and Reginald Herbert Montague Temple, barristers-at-law, and George Norman Limpricht, draughtsman, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz: (a) To purchase or otherwise acquire all or any patents or patented rights in or in respect of the patented device known as "Shaw's grenade" and all patents or patented rights in respect of improvements thereon; (b) To apply for, purchase or otherwise acquire any other inventions, patents, discoveries, processes, licenses, trademarks, concessions, or the like, conferring any exclusive or non-exclusive or limited or unlimited interests, or rights to use, or any secret or other information, as to any invention, discovery or process respecting improvements in hand grenades, bombs, munitions of war of any and every description, or any other invention, discovery or process capable of being conveniently handled, used, manufactured, or developed in connection therewith; (c) To use, exercise, develop, improve, and to grant licenses in respect of, or otherwise to dispose of or deal in the whole or any part of such inventions, discoveries, patents, processes, property, rights, licenses or information so acquired; (d) To manufacture, assemble and instal, and to purchase or otherwise acquire, dispose of, and deal in any articles, materials, or things covered by or included in any such inventions, discoveries, patents, processes, property, rights, licenses or information, or any improvements thereon or developments thereof, and any machinery, plant, equipment, appliances, materials or things, used or capable of being used in connection therewith, or in connection with any tests or demonstrations thereof or experiments or researches incidental thereto; (e) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (f) To acquire or undertake the whole or any part of the business property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (g) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To issue in payment or part payment of any property, rights or privileges acquired by the company, or for any guarantees of the company's contracts or securities, or for services rendered, shares in the company's capital stock, whether subscribed for or not, as fully paid-up and non-assessable or the company's securities; (j) To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, bonds, debentures or other securities belonging to the company or which the company may have power to dispose of; (k) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (l) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Shaw Grenades, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 11th day of September, 1917.

THOMAS MULVEY,
Under-Secretary of State

Pickering Sand and Gravel Company, Limited

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 28th day of August, 1917, incorporating William Francis Curran Sellers, secretary, David John Gibson, real estate broker, Robert Errett Grass, Esquire, Norman John Schell, life insurance broker, and Ethel Mary Moore, stenographer, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire by purchase, lease, concession, license, exchange or other legal title, sand and gravel lands or any interest therein; (b) To construct, maintain, alter, make, work and operate on the property controlled by the company, buildings, tramways, dams, roads, shops, mills and other works and machinery, plant and appliances of every description; (c) To buy, sell, manufacture and deal in all kinds of goods, stores, implements, chattels, and effects required by the company and its servants or workmen; (d) To quarry or dig for and sell all kinds of sand, gravel and stone; (e) To manufacture and sell all kinds of cement; (f) To carry on any other business capable of being conveniently carried on in connection with its business or calculated directly dr indirectly to enhance the value of or render profitable any of the company's property or rights; (g) To acquire or undertake the whole or any part of the business, property or liability of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of the company; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To enter into any arrangement with any authorities, municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such authorities any rights, privileges and concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges or concessions; (j) To do all or any of the above things as principals, agents, contractors or otherwise and either alone or in partnership or in conjunction with others; (k) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Pickering Sand and Gravel Company, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 30th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

B. N. DAVIS & GRASS,
Continental Life Bldg., Toronto,
Solicitors for Applicants.

The Canadian Annual Review, Limited

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Frederick Egbert Earl, accountant, Jim Weir McFadden and Charles Brotchie Nasmith, barristers-at-law, and Beatrice Scheurer and Ethel Vivian Smiley, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To carry on a general publishing business as proprietors, publishers, editors, printers, binders and illustrators of and dealers in publications and literary undertakings of every description and to transact all kinds of business or adventure, and all such things as are incidental thereto or connected therewith; (b) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of this company; (c) To acquire or take over as a going concern the business now carried on by the "Annual Review Publishing Company, Limited," a company incorporated under the Ontario Companies Act and all or any of the property, assets and liabilities of the said last-mentioned company in connection therewith, and with a view thereto to enter into such contracts and agreements to carry the same into effect as may be necessary; (d) To hold shares in any other company and to enter into any arrangement for sharing profits or for any other purpose with any person or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any similar business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (e) To promote any company or business for the purpose of acquiring all or any of the property and liabilities of this company; (f) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business, and in particular any land, buildings, easements, machinery, plant and stock-in-trade; (g) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined and to make advances to such persons and on such terms as may seem expedient and in particular to customers, agents and others having dealings with the company and to guarantee the performance of contracts by any person; (h) To draw, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (i) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, bonds, debentures or securities of any other company having objects altogether or in part similar to those of this company; (j) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the company's capital or any debentures or other securities of the company in or about the formation or promotion of the company or the conduct of its business. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Canadian Annual Review, Limited," with a capital stock of seventy-five thousand dollars, divided into 750 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

WINNIPEG SALES BOOK COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Leslie McPhail Appleford, of the City of Hamilton, in the Province of Ontario, manufacturer; William Symon Morlock, James John Maclennan, Anthony L'Estrange Malone, Reginald Holland Parmenter and John Noble Black, gentlemen, of the City of Toronto, in the said Province of Ontario, for the following purposes, viz:—(a) To publish, print, bind, manufacture, issue, purchase, sell, deal in and otherwise turn to account, books, magazines, publications, newspapers, pamphlets, counter check books, bond books, account register systems and forms in connection therewith, loose leaf systems, binders, food products wrappers, plain and printed paper wrappings, paper bags, twines, shipping tags, stationery of all kinds, carbon papers, waxed and saturated papers, typewriting supplies, maps, charts, engravings, lithographs, etchings, wood-cuts, electrotype pictures and illustrations, whether covered or without cover, and by whatsoever process or processes the same may be produced, whether now existing or hereafter to be discovered or invented, and generally to carry on the business of printers, binders, lithographers, electrotypers, stereotypers, engravers, die sinkers, embossers, manufacturers and publishers, and to carry on a general advertising business as advertising contractors and agents; (b) To acquire, enter into and take over contracts of every description and to transfer, assign and otherwise dispose of any contracts or undertakings of the company in whole or in part, and to enter into, carry out, perform and sublet contracts for doing work and supplying material in connection therewith; (c) To acquire, construct, manufacture, build, maintain, hold and operate all and appliances necessary or convenient for the proper carrying on of any of its under-stock-in-trade, plant, machinery, equipment takings and for this purpose to also apply for and acquire patent rights, patents of inventions, licenses, secret processes, copyrights, trade-marks, and to use, exercise, develop and grant licenses in respect thereof or otherwise to turn the same to account; (d) To buy, sell, manufacture, repair, alter and exchange, let or hire, import, export, manipulate, prepare for market and deal in all kinds of goods, chattels, wares and merchandise which may be required for the purposes of any of the said businesses or commonly supplied or dealt in by persons in any of the said businesses or which may seem capable of being properly dealt with in connection with any of the said businesses; to acquire, purchase, hold, lease, sell, assign and convey any real estate requisite for the carrying on of the undertaking of the company; (e) To purchase, take over or acquire by original subscription or otherwise, and to hold, sell, assign, transfer or otherwise dispose of or deal in the undertakings, shares, bonds, debentures, securities or evidences of debt created by any other corporation, and while owner of such shares of stock to exercise all the rights, powers and privileges of ownership including the right to vote thereon, notwithstanding the provisions of section 44 of the Companies Act; (f) To purchase and acquire any business of a similar nature and to purchase and acquire any interest or control in any business of a similar nature to that which this company is authorized to carry on, and to pay for same in whole or in part in cash, bonds or paid-up stock of this company; (g) To aid in any manner any corporation, any of whose shares of stock, bonds or other obligations which are held or are in any manner guaranteed by this company, and to do any act or thing for the preservation, protection, improvement or enhancing of the value of any such shares of capital stock, bonds or obligations, and to do any and all acts and things tending to enhance the value of any of the property at any time held or controlled by this company; (h) To sell, lease or otherwise dispose of the undertaking and assets of the company hereby incorporated or any part thereof, for such consideration as the company may think fit, including the shares, bonds, debentures or securities of any other company having objects similar in whole or in part to those of the company hereby incorporated; to receive and accept bonds, debentures, or other securities in payment in whole or in part for work done and material supplied in connection with the business of the company, and to pay for any property purchased by the company by the issue of paid-up stock or bonds of the company or partly in stock and partly in bonds; (i) To enter into partnership or any arrangement for sharing of profits, union of interests, cooperation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (j) To invest and deal with the moneys of the company not immediately required in such manner as from time to time may be determined; (k) To distribute among the shareholders of the company in kind any property or assets of the company and in particular any shares, debentures or securities of any other company or companies which they may have purchased or taken over, either in whole or in part, the property, assets or liabilities of this company; (l) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property, undertaking and rights of the company for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of the Companies Act, for shares, debentures or securities of any other partnership, association or company having objects altogether or in part similar to those of this company; (m) Notwithstanding the provisions of section 44 of the Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein, and to apply or to accept in whole or in part as consideration or satisfaction or the security for any contract, indebtedness or obligation to or of the company, property obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon and to apply or to accept as security for any indebtedness of the company mortgages on lands or chattels upon such terms as may be agreed upon; (n) To amalgamate with any other company or companies having objects similar to those herein enumerated; (o) To enter into any arrangement with any government or authority, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (p) To do all and any of the matters hereby authorized either alone or in conjunction with or as factors or agents for any other companies or persons or by or through any factors, trustees or agents; (q) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the above or any portion thereof, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (r) The objects specified in each paragraph hereto shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Winnipeg Sales Book Company, Limited," with a capital stock of ten thousand dollars divided into 100 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

Malone, Malone & Long, 85 Bay St., Toronto, Solicitors for Applicants.

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Interesting Comparisons by The Statist For Year Ending June.

NET AND GROSS AT HIGH

A Summary and Analysis of Outstanding Figures for Years Ending in June since 1907.

Hitherto about this time of the year the Canadian Railway has published accounts for the year ending with the previous June 30. This year, however, there is a change. Owing to the fact that the fiscal year has been altered to coincide with the calendar year interim accounts were published for the six months to December 1916 and the next report will not be issued until the early part of 1918. Under the circumstances an opportunity is provided for analysis from the various available data to obtain an idea of the results for the past twelve months and to preserve continuity of records and comparisons as to the earnings, expenses and profits for the years ending June 30.

This analysis of the available information together with comparisons has been very effectively prepared by The Statist. The attention of the shareholder and the investor may be called to the fact that prior to the middle of 1916 two years of the company's business had stood out prominently. The first was 1912-13, when gross earnings amounted to $139,396,000 and the net profits for the ordinary stock were $40,254,000. The second was 1915-16, when the volume of traffic was larger than ever before, and, although on account of a change in the kind of traffic carried, gross receipts were some $10,000,000 less than three years before, net earnings and net profits were quite unprecedented owing to reduced expenses chiefly upon conducting transportation.

The operations of the Canadian Pacific for the past twelve months, that is for the year ending June 30, far surpass anything hitherto achieved. The Statist says:

Gross receipts, which for 1915-16 amounted to $120,482,000, were raised last year to $148,075,000, an expansion of $18,593,000, or 14.4%. The probabilities are that the increase in the volume of traffic carried has been much less than 14.4%, for in the past year the tonnage of agricultural products, carried at relatively low rates, has been smaller on account of the poor harvests of 1916 compared with 1915, and, although lumber shipments have expanded considerably, the greatest increase in tonnage has doubtless been in manufactured goods, bearing high rates. Operating expenses and taxes for 1916-17 amounted to $96,203,000, which was $15,947,000, or nearly 20%, more than in 1915-16. Under what headings this additional expenditure has been incurred is not apparent from the monthly statements. So far as the December half of 1916 was concerned, $5,700,000 more was spent upon maintenance than in the corresponding half of 1915, and it is not unlikely that more than half the additional money spent for the whole year was for this purpose. At the same time, it must be recognized this was so largely on account of higher prices of materials, and that dearer fuel and heavier wage bills also added to conducting transportation costs, particularly in the June half of 1917. At any rate, for one reason or another the greater part of the year's increase in gross receipts was swallowed up in extra expenses, with the result that net earnings were $2,646,000, or 5.4%, ahead of those for the previous year. Miscellaneous income, out of which is paid 3% of the 10% dividend, leaving 7% payable from railway profits proper, is the one uncertainty connected with last year's operations. Under this heading are included net earnings from steamships and hotels, interest and dividends from coal properties, land sales, etc. The sum received therefrom in 1915-16 was $8,018,000, after about $12,000,000 had been placed to contingency reserves, etc.; and, according to the interim report, the miscellaneous income for the December half of 1916 was $5,271,000, after a further substantial sum had been specially set aside. On the assumption that a similar amount of miscellaneous income was credited to the accounts in the June half of 1917, the net income was raised to about $62,414,000, against $57,244,000 for 1915-16. Interest charges do not vary much, and after paying the 4% Preference dividend the profit for the Ordinary stock last year, as closely as can be calculated, was $48,920,000, or $5,210,000 in excess of the previous year's profit. In other words, after large sums had been set aside to contingency reserves the profit was equal to a dividend upon the Ordinary of earned in 1915-16.

The change in the Company's earnings and profits during the past two years has been exceedingly great. In 1914-15, owing to the poor crop of 1914 and to the disturbed economic conditions resulting at first from the War, traffic sharply declined, gross earnings dropped to $98,865,000, and the net profit of $29,384,000 equalled 11.30% on the Ordinary. Of the latter, 7.08% represented railway profits and 4.22% miscellaneous income, and the belief prevailed that the Company might reduce its dividend rate. Since then, as will be evident from the accompanying Income Statement, gross receipts have increased 50%, net earnings are 55% higher, and the addition to the net profit has been over 66%.

For July last an expansion of $1,130,000 in gross receipts was accompanied by an increase of $1,387,000 in expenses, and net earnings therefore declined $257,000. And for the first three weeks of August there was a shrinkage of $783,000 in gross receipts. Expenses this year seem likely to be much larger than a year ago if the same amount of work is done as last year upon maintenance of the road and equipment, as beyond rising costs of fuel and materials is the constant increase in wages. It is more difficult to say what course gross earnings will take. The crops of Canada this year show indication of being better than those of 1916, and by reason of high prices the income of the agricultural provinces should be increased. Further, there is the possibility that so long as the War lasts the present great demand for lumber and the existing large traffic of manufactured goods will continue.

INCOME STATEMENT OF THE CANADIAN PACIFIC RAILWAY.

Yr. to June 30	Gross Earnings $	Op. Exp. & Taxes $	Ratio %	Net Earning $	Misc. Income $	Net Income $	Fixed Charges $	Net Profit $
1917†	148,075,000	96,203,000	64.96	51,872,000	10,542,000	*62,414,000	10,266,000	52,148,000
1916	129,482,000	80,256,000	61.98	49,226,000	8,018,000	*57,244,000	10,306,000	46,938,000
1915	98,865,000	65,290,000	66.04	33,575,000	9,475,000	43,050,000	10,447,000	32,603,000
1914	129,815,000	87,389,000	67.32	42,426,000	6,472,000	48,898,000	10,227,000	38,671,000
1913	139,396,000	93,150,000	66.82	46,246,000	7,844,000	54,090,000	10,876,000	43,214,000
1912	123,319,000	80,021,000	64.89	43,298,000	6,263,000	49,561,000	10,525,000	39,036,000
1911	104,168,000	67,468,000	64.78	36,700,000	6,165,000	42,865,000	10,011,000	32,854,000
1910	94,989,000	61,149,000	64.37	33,840,000	4,835,000	38,675,000	9,917,000	28,758,000
1909	76,313,000	53,358,000	69.92	22,955,000	3,807,000	26,762,000	9,427,000	17,335,000
1908	71,384,000	49,592,000	69.47	21,792,000	3,871,000	25,663,000	8,770,000	16,893,000
1907	72,217,000	46,914,000	64.96	25,303,000	3,581,000	28,884,000	8,517,000	20,367,000

†After allowance for sums transferred to contingent reserve.

NEW COMPANIES ACT RUSHED THROUGH HOUSE

Secretary of State Revives Legislation Which Had Apparently Been Dropped for Session.

(Staff Correspondence)

OTTAWA.—One of the surprises of the session has been the sudden passing of the revised Companies Act in the Commons under the direction of the new secretary of state, Hon. Arthur Meighen.

The new minister has an uncanny way of getting business through the House and it proved the case with the Companies act. Everyone thought the bill had been dropped for the session, and it was through and given a third reading almost before anyone was aware of it. As it has already passed the senate it will now become law. There was a faint protest against such important legislation being rushed through at the last moment, but the protest was not heeded.

The new act embodies the principles of recent legislation passed in England and the Canadian provinces and brings the act somewhat up to date. One of the new principles introduced is a provision for the incorporation of associations without share capital and associated with that a provision for the incorporation of companies with shares without any par value. A third principle has regard to prospectuses. There is regulation of prospectus and liability of directors for statements made. The British Act of 1908 is pretty closely followed.

Another important principle in this Bill is the provision for the reduction of capital. Hitherto, it has been held not to be possible for companies in Canada to be incorporated with a devolution of power to reduce their capital stock. That is to say, a company can be compelled to maintain its capital stock at the level provided for by its incorporation, so far, of course, as its subscriptions have reached that amount. Consequently, it has not been possible for companies to be incorporated with power to pay off, for example, preferred stock. This Bill provides that companies may be incorporated with such power under conditions and subject to stipulations contained in this measure.

Another clause in the Bill provides for information as to mortgages. In Great Britain there has been provision for this for some time. However, in the United Kingdom it was more necessary than in Canada, because in Canada we have our provincial laws, providing for the registration of all land mortgages at Land Titles Offices, and for bills of sale and chattel mortgages at our court houses and other registration points. But even in Canada a company has been able to issue what are known as floating mortgages, and no provision is made for their registration. Furthermore, owing to the fact that lands will be held in different counties, and, consequently, the registration will be at different land titles offices or registration offices in the different court houses, very considerable difficulty is entailed in locating and collecting the various mortgages.

Another provision provides for investigation and audit. The new provision will provide for much greater care on the part of companies.

Gillette Safety Razor Co. is to be reincorporated, new and important interests becoming identified with it. It will have outstanding capitalization of $6,000,000 five-year 6% convertible notes and 190,000 shares of capital stock without par values.

WAR CONDITIONS REDUCED PROFIT COCKSHUTT PLOW

Markets for Raw Materials and Labor Handicapped Operations.

THE DIVIDEND OUTLOOK

Surplus Now Totals $490,000 and a Small Payment May be Made in Near Future—Large Reduction of Liabilities.

More difficult conditions than during any previous year of the company's existence prevailed during the period covered by the annual report of the Cockshutt Plow company to June 30 last, according to the statement to the shareholders by the president, H. Cockshutt. It has been hoped that during the period referred to there would have been some improvement in the abnormal conditions which have been brought about by the war, particularly in connection with the price of materials and the increase in operating expenses. Unfortunately developments were rather the opposite. Under the circumstances it is hardly a matter for surprise that there was a decline in the net profits from operation, after providing for depreciation, as compared with the previous year. These profits, together with dividends, totalled $405,710 as compared with $500,176 in the 1916 year and $291,362 for the period ending in 1915. Of the income $150,000 was appropriated for merchandise reserve and $200,000 for contingent reserve, leaving a net balance of $55,710 to be added to the surplus which now stands at $491,986. Following are comparative figures:

	1917	1916	1915
Profits	$370,745	$465,211	$369,388
Profits of Affil. Co.	34,965	34,965	21,975
	$405,710	$500,176	$391,363
Deduct:—			
Reserve	350,000	250,000	313,452
Net balance	$ 55,710	$250,176	$ 77,911
Previous balance	436,076	185,899	107,988
Surplus	$491,786	$436,075	$185,899

The increase in surplus referred to, together with an increase in liabilities of $1,341,857, and an improvement in the market outlook—an improvement which, owing to abnormal conditions, has not yet been reflected in profits—was no doubt in the mind of the president in reference to the board's dividend policy. He states that the directors did not consider it wise to declare a dividend during the year but expressed the belief that the payment of a small dividend on the preferred stock would be justified in the near future.

Special reference was made in the report to the company's export business which has shown a gratifying increase. It is understood, however, that in connection both with the export market and that in Western Canada only a portion of the demand could be met owing to the conditions with regard to material and labor to which reference has been made. Also it is understood that the company has been devoting a considerable portion of its capacity to the manufacture of tractor plows for the Imperial Government and other contracts in which the national good rather than profits was the first consideration.

Conservative Trade Policy.

That a conservative policy is being followed with regard to the company's stocks of raw materials and finished products is indicated from the balance sheet. Raw materials and product at the plant were valued at $856,000 on the estimation of company officials, although no physical inventory of these stocks was taken owing to shortage of labor. Inventories of western branches, on basis of cost, totalled $952,435. The total of stock and materials was, therefore, $1,888,435 which compared with $1,192,707 at the end of the previous year. Considering the western stocks are put in at cost the selling price, in view of the advancing markets, might be expected to show a good substantial margin of profit. On the other hand market conditions are such that a reaction both with regard to prices of manufactured products and raw materials might quite possibly take place. Against such possible developments the directors have made ample provision. Out of the year's profits $150,000 was appropriated for merchandise reserve, the total of this account being brought up to $500,000. Also in addition to the balance at credit of profit and loss, amounting to $491,786, there is a contingent reserve of $800,000 of which $200,000 was provided from the 1917 year. Other important changes in the balance sheet were indicated in the fact that bank loans were reduced from $3,284,407 to $2,030,373, accounts and notes receivable from $7,510,209 to $5,949,826, and accounts payable from $484,899 to $396,987.

PRODUCTION
Increased effort and efficiency in labor, more economy and less waste in living, building up capital by harder work and greater savings, will enrich you and your country. The men and women at home must produce more to cover war's waste.
It is easier to make money than to save it. A Savings Account at The Bank of Toronto will help save what your increased effort provides.

THE BANK OF TORONTO
INCORPORATED 1855
Head Office - - TORONTO, CANADA
Paid-Up Capital - $5,000,000 Reserve Funds - - $6,508,000
DIRECTORS
W. G. Gooderham, President
J. Henderson, Vice-President
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, A. H. Campbell, Brig.-Gen. F. S. Meighen, J. L. Englehart, Wm. I. Gear, Paul J. Myler
Thos. F. How, General Manager — John R. Lamb, Supt. of Branches
D. C. Grant, Chief Inspector
Bankers.—NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London City and Midland Bank, Limited.

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ORIGINAL CHARTER 1854
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Branches and Connections Throughout Canada
Head Offices and Nine Branches in Toronto

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the law takes command, and regardless of your desires or the needs of your heirs, settles how your property shall be divided. One inflexible rule applies in every such case.
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HENRY F. GOODERHAM, President — J. M. McWHINNEY, General Manager

LLOYDS BANK LIMITED.
Head Office: 71, LOMBARD ST., LONDON, E.C. 3.
CAPITAL SUBSCRIBED - - £31,304,200
CAPITAL PAID UP - - 5,008,672
RESERVE FUND - - 3,600,000
DEPOSITS, &c. (June, 1917) 141,053,601
ADVANCES, &c. do. 67,573,903
THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
London Agency of the IMPERIAL BANK OF CANADA.
The Agency of Foreign & Colonial Banks is undertaken.
French Auxiliary: LLOYDS BANK (FRANCE) LIMITED, with Offices at PARIS, BIARRITZ, BORDEAUX, HAVRE and NICE.

THE ROYAL BANK OF CANADA
Statement to the Dominion Government (Condensed) Showing Condition of the Bank on August 31, 1917.

LIABILITIES.

Capital Paid Up	$ 12,911,700.00
Reserve Fund	13,471,700.00
Undivided Profits	852,346.28
Dividend No. 120, payable September 1, 1917	387,351.00
Notes in Circulation	22,718,666.49
Deposits	240,229,214.77
Due to other Banks	8,004,855.97
Bills Payable (Acceptances by London Branch)	441,864.65
Acceptances under Letters of Credit	1,131,057.80
	$300,148,756.96

ASSETS.

Cash on Hand and in Bank	$ 59,923,144.72
Deposit in the Central Gold Reserves	11,000,000.00
Government and Municipal Securities	32,312,428.97
Railway and other Bonds, Debentures and Stock	14,396,988.75
Call Loans in Canada	10,802,347.87
Call Loans Elsewhere Than in Canada	13,068,652.55
Deposit with Dominion Government for Security of Note Circulation	645,585
	$142,149,147.86
Loans and Discounts	148,873,285.77
Liabilities of Customers under Letters of Credit as per contra	1,131,057.80
Bank Premises	6,398,267.78
Real Estate other than Bank Premises	1,596,997.75
	$300,148,756.96

A NEWSPAPER DEVOTED TO MUNICIPAL BONDS
There is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.
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